



Waukee Community School District Waukee, Iowa

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2014

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
WAUKEE COMMUNITY SCHOOL DISTRICT**

Waukee, Iowa

Fiscal Year Ended June 30, 2014

OFFICIAL ISSUING REPORT

Lora Appenzeller-Miller, Chief Financial Officer

OFFICE ISSUING REPORT

Business Office

Waukee Community School District
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Waukee Community School District

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November 25, 2014

We are a District with a dedication to all students and an unwavering commitment to a quality educational program. That commitment, along with a strong sense of community defines the work of the Board of Education for the Waukee Community School District. In a time of ongoing funding restrictions and changing financial models, achieving these goals is a significant challenge.

Our shared vision statement is “Dedicated to optimizing individual learning and potential for success in a global community.” Honoring our vision keeps us focused on moving forward, closing any gap that may exist between our current reality and our vision. The District’s Guiding Principles, Vision and Mission Statement guide the allocation of resources to achieve our goals.

Iowa continues to fall short of fully funding the education formula for K-12 schools. In Waukee, we will continue to allocate available resources to fulfill our mission and our commitment to students.

This report is a comprehensive financial record of the District for the fiscal year ended June 30, 2014. It reflects the conditions that have enabled the Waukee Community School District to maintain a favorable financial picture – even during a period of challenging growth. Among the enabling conditions are:

- We have a highly dedicated and skilled team of teachers, staff, and administrators.
- We have a highly effective Board of Education and a very supportive community.
- We work in an atmosphere where everyone is encouraged to work at their highest level in a collaborative environment.

As you examine this report, you will see a pattern of on-going financial strength that we hope to continue into the future. We welcome your questions and suggestions. We will continue to learn together to build on our success as a learning community for the future.

Respectfully Submitted,



David J. Wilkerson, Ph.D.
Superintendent

November 25, 2014

Members of the Board of Education
Waukee Community School District
Patrons of the Waukee Community School District
Waukee, Iowa

The Comprehensive Annual Financial Report (CAFR) for the Waukee Community School District for the fiscal year ended June 30, 2014 is submitted herewith. Responsibility for accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District Office of Administrative Services. We believe the data is accurately presented, in all material respects; that the data is presented to fairly set forth the financial position of the governmental activities, business type activities, each major fund, the aggregate remaining fund information and the respective changes in financial position and cash flows where applicable; and that all necessary disclosures have been included in order to enable the reader to gain the maximum understanding of the District's financial affairs.

The Comprehensive Financial Annual Report is presented in four sections: introductory, financial, statistical, and compliance. The introductory section, which is unaudited, includes this transmittal letter, a list of principal District officials, and an organizational chart. The financial section includes the management's discussion and analysis, audited basic financial statements, required supplementary information and the combining and individual fund financial statements and schedules, as well as the independent auditor's report. The statistical section, which is un-audited, includes selected financial and demographic information, generally presented on a multi-year basis. The compliance section contains the schedule of expenditures of federal awards and audit findings. We encourage readers to refer to all four sections of the report, including the Management's Discussion and Analysis in the financial section, which gives a more detailed summary of the District's financial performance.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U. S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments*.

The report includes all funds of the Waukee Community School District. The Waukee Community School District has no component units that meet the Governmental Accounting Standards Board criteria. The District provides a full range of services including instructional, administrative, transportation, food service, maintenance of sites and facilities, custodial, clerical, extra and co-curricular and athletic and activities.

This CAFR has been prepared using the guidelines recommended by the Association of School Business Officials International (ASBO) and Government Finance Officers Association of the United States and Canada (GFOA). Certificates of Excellence are awarded to school systems that have presented their CAFR to the GFOA and ASBO Panels of Review for critical review and evaluation. Receiving these awards are recognition that a school system has met the highest standards of excellence in school financial reporting. The standards used in the "Certificate of Excellence Program" and "Certificate of Achievement Program" are based on generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). We will actively pursue these awards through the efforts of the entire Waukee Team. The Waukee Community School District received the ASBO certificate for its comprehensive annual financial report for the fiscal years ending June 30, 2004, 2005, 2006, 2007, 2008, 2010, 2011, 2012 and 2013. The Waukee Community School District received the GFOA certificate for its comprehensive annual financial report for the fiscal years ending June 30, 2012 and 2013.

BASIS OF ACCOUNTING

The District's accounting records were maintained on a modified accrual basis. These accounting policies are enumerated in the notes to the financial statements. All the District's funds are presented in this report and have been audited by the District's independent certified public accountants, Van Maanen, Sietstra & Meyer, P.C.

The chart of accounts used by the District is in conformance with the Uniform Accounting System for Iowa Schools and Area Education Agencies issued November 1975 and updated in 2009, by the Iowa Department of Education. The chart of accounts manual is updated on an annual basis. The District is in full compliance with these requirements.

ECONOMIC CONDITION AND OUTLOOK

The District is located in the central part of the state, within the larger Des Moines metropolitan area and ranks as one of the top growth areas of the country. The economic condition and outlook is stable. The Waukee Community School District has been and is currently the fastest growing school district in the state of Iowa and the growth projections are expected to continue. Certified enrollment for fiscal 2014-15 was 8,773.28 students. This is an increase of 484.69 over 2013-14. Taxable assessed value continues to grow even during the current economic downturn. The economy in the state has struggled the past year and this recessionary period has resulted in reduced revenue for public education. While the unemployment rate in the greater Des Moines has consistently remained lower than national averages, the economy has been stagnating. Retail sales in the greater Des Moines have leveled but remain strong. The City of West Des Moines continues to grow as does the City of Waukee. District taxable assessed valuations have continued steady growth to over \$2.6 billion for January 2014 values.

Based on conservative projections, this trend is expected to continue. While having a positive impact, the growth also presents significant challenges for the District. The District utilizes the optional instructional support levy at a level deemed appropriate and will need to continue a high level of efficient use of human resources and facilities.

Retail sales, building permits and population increases in the western suburbs far exceed that of any other location in the metropolitan area or in the State of Iowa. An article in the September 27, 2007 edition of the Des Moines Register quoted a report from the Bureau of Economic Analysis showing the Des Moines Metropolitan area ranking 24th in the United States in terms of gross domestic product. The report also showed the area as the fastest growing municipal economy in the country increasing 7.2% since 2004. Retail, commercial and residential property values continue to grow. Assessed values of the District are conservatively projected to increase by 5-10% or more in the near term. In the fall of 2004, a new 250-acre retail shopping mall opened within the boundaries of the District and is expected to generate eighty million dollars in revenue annually. Wells Fargo opened its national mortgage headquarters in West Des Moines and currently employs in excess of 1,000. Athena has located its North American headquarters within the boundaries of our school district with employment projections rivaling Wells Fargo. Areas surrounding the Jordan Creek Town Center continue to grow and add new retail and commercial property. The schools of Dallas County passed a one-cent sales tax on all covered retail sales in the county. All the schools in Dallas County on a per pupil basis will share the revenue from this sales tax. The Waukee Community School District is the largest district in Dallas County with over one-half of the county's students. That percentage of total students in the county will continue to increase on an annual basis with the District receiving a larger percentage of the total sales tax annually. Waukee Community School District moved to a statewide pool starting January 2014.

MAJOR INITIATIVES

Current year. The District implemented a six-year plan for facilities and continues to utilize a three-year plan for finances. The District's rapid growth, limited resources and the need to clearly outline and prioritize site and facility needs in chronological order necessitate the plans. Currently a \$32 million Timberline 8-9 building project is in progress and will be completed for fall 2015. That will bring additional building capacity of 1,000 for the 8-9 grades. The District has purchased land and issued General Obligation Bonds to finance the new Grant Ragan Elementary and Brookview Elementary HVAC project. Grant Ragan Elementary is expected to be completed in the fall of 2016. Planning for a secondary option is underway and will be modeled after the Center for Advanced Professional Studies (CAPS) located in the Blue Valley School District, Overland Park, Kansas. Students are currently out in satellite business locations. The building of the Waukee CAPS facility project is underway and is expected to be completed for fall 2015.

Future Considerations. The six-year facility plan and accompanying demographic information concluded that student enrollment and tax base would continue to increase at a rapid pace. This study showed the need for additional space at the current high school by the fall of 2019. The District is working with the City of Waukee to exchange land to construct a new transportation facility.

DEBT ADMINISTRATION

The ratio of net indebtedness to assessed valuation and the amount of indebtedness per capita are useful indicators of the District's debt position. The 2014 fiscal year data shows a total outstanding indebtedness on June 30 of \$141,540,000 with a ratio of debt to 100% taxable, actual, assessed valuation of 2.94%. During FY 2014, \$24,665,000 of outstanding debt was paid and an additional \$33,475,000 of new debt issued. In the near future, as assessed valuation and District population rise and total indebtedness decrease, these economic indicators will reflect a very favorable financial position.

The above indebtedness of \$141,540,000 is a result of general obligation bonds issued February 2005, July 2006, April 2008, May 2009, July 2009, April 2010, July 2011, June 2012 and March 2013. Capital loan notes were issued in February 2012, March 2013, and April 2014. Revenue bonds were issued in June 2012. The district advance funded bonds to reduce outstanding debt during the fiscal year.

FINANCIAL INFORMATION

Management of the District is responsible for establishing and maintaining an internal control designed to ensure that its capital assets are protected from loss, theft or misuse and to ensure that accounting data are compiled to allow for the preparation of the basic financial statements in accordance with accounting principles generally accepted in the United State of America. The internal control is designed to provide reasonable, but not absolute, assurances that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

Single Audit. As a recipient of federal, state and county financial assistance, the District also is responsible for ensuring that an adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control is subject to periodic evaluation by management and external auditors.

As a part of the District's single audit, described earlier, tests are made to determine the adequacy of the internal control over financial reporting and its compliance with applicable laws and regulations, including those related to major federal awards programs. The results of the District's single audit for the fiscal year ended June 30, 2014, provided no instances of material weaknesses in the internal control or violations of applicable laws and regulations.

Budgetary Controls. In addition, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Activities of the General Fund, special revenue funds, Debt Service Fund, enterprise funds and capital projects funds are included in the annual appropriated budget. Project length financial plans are adopted for the capital projects funds and budgeted accordingly on an annual basis. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by program level for all funds combined rather than at the individual fund level. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at the fiscal year's end. However, encumbrances generally are re-appropriated as part of the following year's budget.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

BASIS OF PRESENTATION

The charts and accounts used by the District have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board and Audits of State and Local Governmental Units issued by the American Institute of Certified Public Accountants. In addition, the District's accounting records conform to the Uniform Accounting System for Iowa Schools, Chapter 11 of the Code of Iowa and Area Educational Agencies issued by the Department of Education, state of Iowa. The chart of accounts manual is updated annually and the District is in full compliance with these requirements.

OTHER INFORMATION

Independent Audit. The accounting firm of Van Maanen, Sietstra & Meyer, P.C. was selected to perform the annual audit in accordance with Chapter 11 of the Code of Iowa. In addition to meeting the requirements set forth in state statutes, the audit was designed to meet the requirements of the federal Single Audit Act Amendments of 1996 and related OMB Circular A-133. The auditor's report on the basic financial statements, combining and individual fund statements and other schedules is included in the financial section of this report.

ACKNOWLEDGEMENT

The preparation of this report on a timely basis could not have been accomplished without the effort of the accounting staff and our auditors, Van Maanen, Sietstra & Meyer, P.C. We would like to express our appreciation to all staff members who assisted and contributed to this report. Also, appreciation is expressed for the interest and support of the Board of Education in conducting the financial operations of the District in a most responsible and progressive manner.

Respectfully submitted,

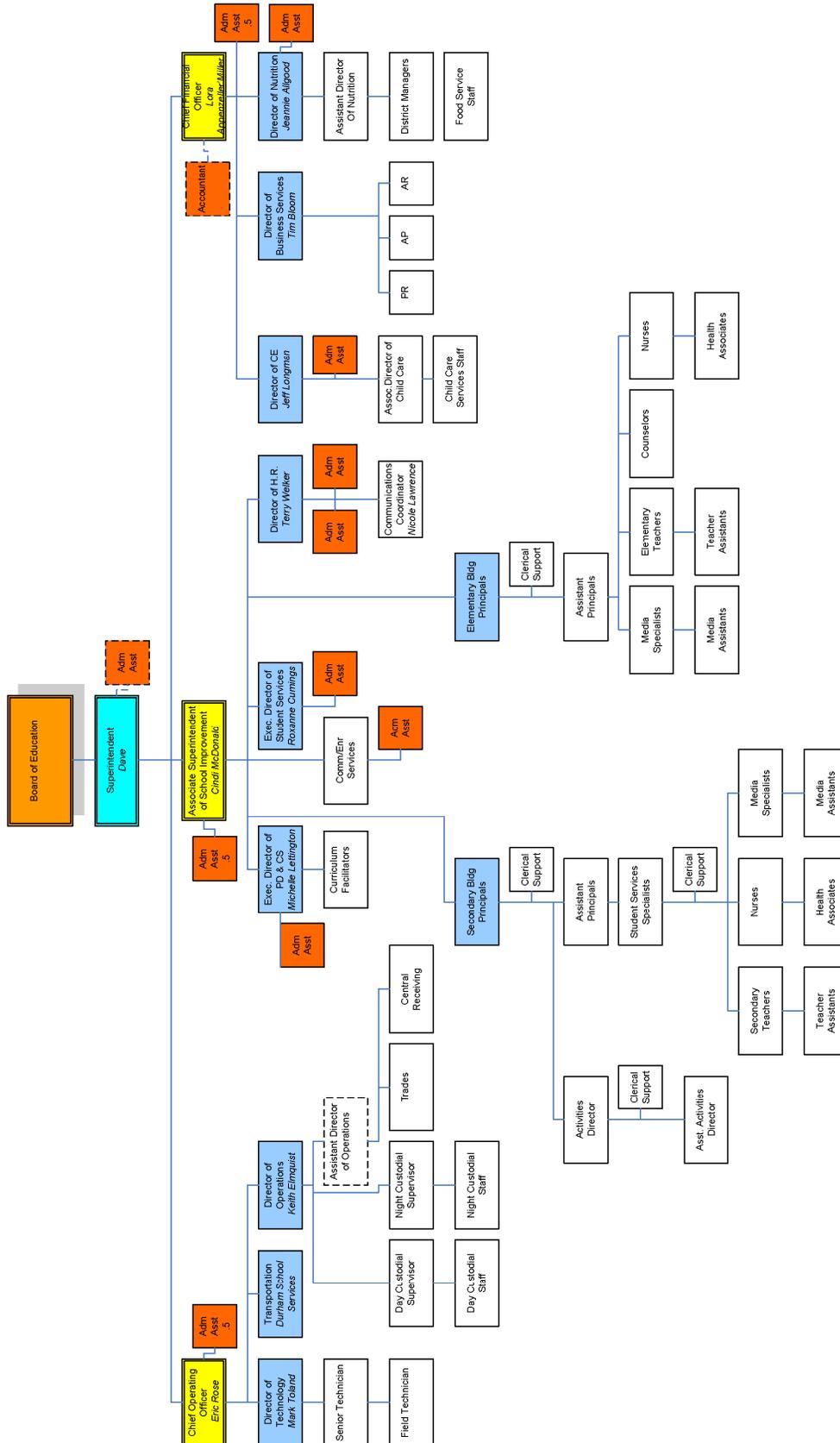


David J. Wilkerson, Ph.D.
Superintendent



Lora Appenzeller Miller
Chief Financial Officer

Wauke Community School District
 Organizational Chart
 Year Ended June 30, 2014



**Waukee Community School District
Board of Education and Board Attorney
Year Ended June 30, 2014**

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Board of Education		
Susan Bunz	President	2015
Mary Scheve	Vice President	2017
Larry Lyon	Board Member	2015
Jerry Ripperger	Board Member	2015
David Cunningham	Board Member	2017
Wendy Liskey	Board Member	2017
Patrick Nehls	Board Member	2017
Board Attorney		
Ahlers & Cooney, P.C.	School Attorney	Indefinite

**Waukee Community School District
School District Administration
Year Ended June 30, 2014**

<u>Name</u>	<u>Position</u>
Dr. David J. Wilkerson	Superintendent
Cindi McDonald	Assistant Superintendent for School Improvement
Lora Appenzeller-Miller	Chief Financial Officer
Eric Rose	Chief Operations Officer
Roxanne Cumings	Executive Director of Student Services
Michelle Lettington	Executive Director of Curriculum & Professional Learning
Mark Toland	Director of Technology
Keith Elmquist	Director of Operations
Jeannie Allgood	Director of Nutrition Services
Jeff Longman	Director of Community Education
Andrea Wilmes	Director of Childcare Services
Terry Welker	Director of Human Resources
Tim Bloom	Director of Business Services
Kirk Johnson	High School Principal
Brady Fleming	Assistant High School Principal
Judi Roland	Assistant High School Principal
Juley Murphy-Tiernen	Prairieview Principal
Amy Johnson	Middle School Principal
Chris Bergman	South Middle School Principal
Clay Young	Assistant Principal South Middle School
Adam Shockey	Assistant Middle School Principal
Nicole Tjaden	Waukee Elementary Principal
Peg Erke	Eason Elementary Principal
Terry Hurlburt	Brookview Elementary Principal
Lyndsay Marron	Walnut Hills Elementary Principal
Doug Barry	Maple Grove Principal
Karen Allison	Shuler Elementary Principal
Scott Shumaker	Woodland Hills Elementary Principal
Katie Ferguson	Assistant Elementary Principal
Clint Prohaska	Assistant Elementary Principal
Stephanie Angelino	Assistant Elementary Principal
Haley Topp	Assistant Elementary Principal
Jim Duea	Director of Athletics & Activities
Todd Schneiter	Assistant Director of Athletics

**Waukee Community School District
Consultants, Advisers, and Official Depositories
Year Ended June 30, 2014**

Consultants and Advisors:

Certified Public Accountants:

Van Maanen, Sietstra & Meyer, PC
705 Main St.
Pella, IA 50219

Bond Attorney:

Ahlers & Cooney, P.C.
100 Court Avenue, Suite 600
Des Moines, Iowa 50309-2231

Financial Consultant:

The PFM Group
801 Grand Ave, Ste 3300
Des Moines, Iowa 50309-3800

General Counsel:

Ahlers & Cooney, P.C.
100 Court Avenue, Suite 600
Des Moines, Iowa 50309-2231

Property/Casualty Insurance Agent:

Insurance Associates
2501 Westown Parkway, Suite 1104
West Des Moines, Iowa 50266-1438

Benefits Insurance Broker:

Mercer Advantage
1776 West Lakes Parkway - SS2
West Des Moines, Iowa 50266

Official Depositories:

Wells Fargo, Iowa
110 Highway 6
Waukee, Iowa 50263

First American Bank
45 N. Warrior Lane
Waukee, Iowa 50263

Iowa School Joint Investment Trust
P.O. Box 71158
Clive Iowa 50325-0158

The Education Liquidity Fund
1415 28th St, Suite 200
Century Building
West Des Moines, Iowa 50266-1456

Association of School Business Officials International



*The Certificate of Excellence in Financial Reporting Award
is presented to*

Waukee Community School District

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2013*

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards



Terrie S. Simmons, RSBA, CSBO
President

John D. Musso, CAE, RSBA
Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Waukee Community School District
Iowa

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO





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www.vanmaanencpa.com

Van Maanen, Sietstra, Meyer & Nikkel, PC
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Board of Education
Waukee Community School District
Waukee, Iowa

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of Waukee Community School District, Waukee, Iowa, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles. This includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of Waukee Community School District as of June 30, 2014, and the respective changes in financial position and where applicable cash flows, thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require Management's Discussion and Analysis, the Budgetary Comparison Information and the Schedule of Funding Progress for the Retiree Health Plan on pages 15 through 22 and 58 through 60 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Waukeeg Community School District's basic financial statements. A different accounting firm audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the two years ended June 30, 2006, (which are not presented herein) and expressed unmodified opinions on those financial statements. We audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the seven years ended June 30, 2013, (which are not presented herein) and expressed unqualified opinions on those financial statements. The supplementary information included in Schedules 1 through 9, including the Schedule of Expenditures of Federal Awards required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statement and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Governmental Auditing Standards*, we have also issued our report dated November 25, 2014, on our consideration of the Waukeeg Community School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Waukeeg Community School District's internal control over financial reporting and compliance.

Van Maanen, Sietstra, Meyer & Nikkel PC

Van Maanen, Sietstra, Meyer & Nikkel, PC
Certified Public Accountants

November 25, 2014

**Waukee Community School District
Management's Discussion and Analysis
Year Ended June 30, 2014**

It is with great pleasure we present to you the financial picture of Waukee Community School District. We offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the Waukee Community School District for the fiscal year ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

2014 Financial Highlights

The District showed a government wide increase in net position of \$9,474,490 during the year ended June 30, 2014.

Governmental activities revenues increased from \$88,654,299 in fiscal year 2013 to \$96,438,656 in 2014. General revenues increased from \$77,015,759 in fiscal year 2013 to \$83,610,445 in 2014. Program revenues increased from \$11,638,540 in 2013 to \$12,828,211 in 2014. The business type activities revenues increased from \$5,216,279 in fiscal year 2013 to \$5,858,192 in 2014.

As of June 30, 2014, unassigned fund balance for the General Fund was \$6,323,937 or 8.70% of General Fund expenditures. The financial solvency ratio for the year ended June 30, 2014 was 9.04%, which is a decrease of 4.74% over the previous year. This decrease is due to increased expenditures in the current year due to additional staff due to increased enrollment.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Waukee Community School District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Figure A-1 shows how the various parts of this annual report are arranged and relate to one another.

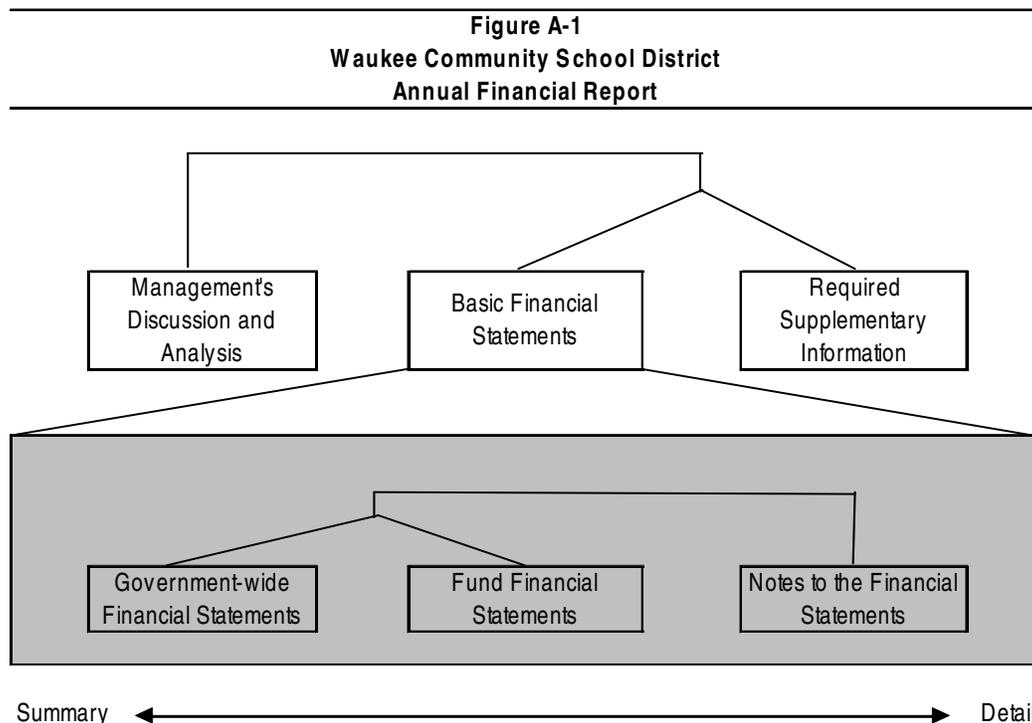


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of the management's discussion and analysis highlights the structure and contents of each of the statements.

**Waukee Community School District
Management's Discussion and Analysis
Year Ended June 30, 2014**

**Figure A-2
Major Features of the Government-Wide and Fund Financial Statements**

	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Activities the district operates similar to private businesses: food services, community day care and community education	Instances in which the district administers resources on behalf of someone else, such as scholarship programs.
Required Financial Statements	* Statement of net position * Statement of activities	* Balance Sheet * Statement of revenues, expenditures, and changes in fund balances	* Statement of net position * Statement of revenues, expenses and changes in fund net position * Statement of cash flows	* Statement of fiduciary net position * Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

Government-wide financial statements - The government-wide financial statements are designed to provide readers with a broad overview of Waukee Community School District's finances in a manner similar to a private-sector business.

The statement of net position presents information on all Waukee Community School District's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the changes occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements reflect functions of the Waukee Community School District that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include instruction, support services, non-instructional services, other and interest on long-term debt. Business type activities are those that the District charges a fee to help cover the costs such as School Nutrition.

The government-wide financial statements include only Waukee Community School District. There are no other organizations or agencies whose financial statements should be combined and presented with the financial statements of the District.

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Management's Discussion and Analysis
Year Ended June 30, 2014**

Fund financial statements – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Waukee Community School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary fund and fiduciary funds.

Governmental funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Waukee Community School District maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Debt Service and Capital Projects Funds, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 28 through 31 of this report.

Proprietary fund – The District maintains two types of proprietary fund, the enterprise fund and internal services funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District maintains three non-major enterprise funds. Internal service funds are used to report the same functions presented as governmental activities in the government-wide financial statements. The District maintains three internal service funds to account for the premium and claim payments for the self-funded health insurance and dental insurance plans, as well as flexible benefits for the District's employees. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. Because the service provided by the District predominately benefits governmental, rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 32 through 34 of this report.

Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Waukee Community School District's own programs. The fiduciary funds of the District are private purpose trust funds. The District accounts for outside donations for scholarships for individual students in this fund.

The basic fiduciary fund financial statements can be found on pages 35 through 36 of this report.

Notes to the financial statements – The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Other information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Waukee Community School District's budgetary comparison for the year, as well as presenting the Schedule of Funding Progress for the Retiree Health Plan. Required Supplemental Information can be found on pages 58 through 60 of this report.

Other Supplementary Information provides detailed information about the non-major governmental and proprietary funds.

**Waukee Community School District
Management's Discussion and Analysis
Year Ended June 30, 2014**

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The District's total net position has increased from a year ago from \$87,299,143 to \$96,773,633.

A significant portion of the District's total assets reflects its investment in capital assets. The District uses these capital assets to provide educational services; consequently, these assets are not available for future spending. The District's net investment in capital assets was \$52,845,221. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Figure A-3 below provides a summary of the District's net position at June 30, 2014 compared to June 30, 2013.

	Governmental activities		Business type activities		Total		Total Change
	June 30,		June 30,		June 30,		June 30,
	2014	2013	2014	2013	2014	2013	2013-2014
Current assets	\$104,898,669	101,172,054	3,069,265	2,890,044	107,967,934	104,062,098	3.75%
Capital assets, net	194,631,048	177,175,892	2,023,634	1,950,023	196,654,682	179,125,915	9.79%
Total assets	299,529,717	278,347,946	5,092,899	4,840,067	304,622,616	283,188,013	7.57%
Current liabilities	22,899,386	25,950,096	248,680	177,859	23,148,066	26,127,955	-11.40%
Noncurrent liabilities	137,172,548	124,765,976	248,904	209,070	137,421,452	124,975,046	9.96%
Total liabilities	160,071,934	150,716,072	497,584	386,929	160,569,518	151,103,001	6.26%
Deferred inflow of resources	47,279,465	44,785,869	-	-	47,279,465	44,785,869	5.57%
Net Position:							
Net investment in capital assets	50,821,587	42,861,521	2,023,634	1,950,023	52,845,221	44,811,544	17.93%
Restricted	37,769,176	34,262,277	-	-	37,769,176	34,262,277	10.24%
Unrestricted	3,587,555	5,722,207	2,571,681	2,503,115	6,159,236	8,225,322	-25.12%
Total Net Position	\$ 92,178,318	82,846,005	4,595,315	4,453,138	96,773,633	87,299,143	10.85%

The restricted portion of the District's net position (39.03%) represents resources that are subject to external restrictions on how they may be used. These restrictions include \$535,668 for categorical funding, \$5,431,114 for debt service, \$4,226,639 for management levy purposes, \$504,581 for student activities, \$26,571,991 for school infrastructure and \$499,183 for physical plant and equipment. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations to students and creditors.

At the end of the current fiscal year, the Waukee Community School District is able to report positive balances in all three categories of net position. The same situation held true for the prior fiscal year.

The District's total net position increased by \$9,474,490 or 10.85%, during the current fiscal year. The total net investment in capital assets increased 17.93%. The governmental activities net position increased by \$9,332,313. Business type activities net position increased by \$142,177.

**Waukee Community School District
Management's Discussion and Analysis
Year Ended June 30, 2014**

Figure A-4 highlights the District's revenues and expenses for the fiscal year ended June 30, 2014 as compared to the fiscal year ended June 30, 2013. These two main components are subtracted to yield the change in net position. This table utilized the full accrual method of accounting. Revenue is further divided into two major components: Program Revenue and General Revenue. Program Revenue is defined as charges for services and sales, operating and capital grants and contributions. General Revenue includes taxes and unrestricted grants such as state foundation support.

	Governmental activities		Business type activities		Total District		Total Change
	June 30,		June 30,		June 30,		June 30,
	2014	2013	2014	2013	2014	2013	2013-2014
Revenues:							
Program revenues:							
Charges for services	\$ 3,324,146	3,057,931	4,664,508	4,186,373	7,988,654	7,244,304	10.27%
Operating grants and contributions	9,504,065	8,580,609	1,190,464	1,028,289	10,694,529	9,608,898	11.30%
General Revenues:							
Property and other taxes	44,483,899	43,231,968	-	-	44,483,899	43,231,968	2.90%
Statewide sales and services tax	7,269,180	6,197,267	-	-	7,269,180	6,197,267	17.30%
Unrestricted state grants	30,834,917	26,737,619	-	-	30,834,917	26,737,619	15.32%
Unrestricted investment earnings	92,578	52,204	3,220	1,617	95,798	53,821	77.99%
Other	929,871	796,701	-	-	929,871	796,701	16.72%
Total revenues	<u>96,438,656</u>	<u>88,654,299</u>	<u>5,858,192</u>	<u>5,216,279</u>	<u>102,296,848</u>	<u>93,870,578</u>	<u>8.98%</u>
Expenses:							
Program expenses:							
Instruction	50,142,591	46,336,463	-	-	50,142,591	46,336,463	8.21%
Support services	24,216,376	21,048,302	193,063	145,660	24,409,439	21,193,962	15.17%
Non-instructional programs	-	-	5,999,968	4,986,399	5,999,968	4,986,399	20.33%
Other	6,967,215	6,574,254	-	-	6,967,215	6,574,254	5.98%
Debt service	5,303,145	5,109,771	-	-	5,303,145	5,109,771	3.78%
Total expenses	<u>86,629,327</u>	<u>79,068,790</u>	<u>6,193,031</u>	<u>5,132,059</u>	<u>92,822,358</u>	<u>84,200,849</u>	<u>10.24%</u>
Changes in Net Position before Transfers	9,809,329	9,585,509	(334,839)	84,220	9,474,490	9,669,729	-2.02%
Transfers	(477,016)	(650,157)	477,016	650,157	-	-	0.00%
Changes in Net Position	9,332,313	8,935,352	142,177	734,377	9,474,490	9,669,729	-2.02%
Net Position beginning of year	82,846,005	73,910,653	4,453,138	3,718,761	87,299,143	77,629,414	12.46%
Net Position end of year	<u>92,178,318</u>	<u>82,846,005</u>	<u>4,595,315</u>	<u>4,453,138</u>	<u>96,773,633</u>	<u>87,299,143</u>	<u>10.85%</u>

Expenses are shown in programs including instruction, support services, non-instructional programs, other and debt service.

The number of students served by the District increased by 567 students, or a 7.35% increase over the prior year. This accounts for the across the board increase in revenues and expenses in both governmental activities and business-type activities. Investment earnings increased 77.99% due to increased availability of investment capital for greater periods of time. Statewide sales tax increased by 17.30% due to an overall growth in statewide sales and services tax and due to increased number of students.

**Waukee Community School District
Management's Discussion and Analysis
Year Ended June 30, 2014**

Governmental Activities – Figure A-5 below discloses the total and net cost of services for the District's major governmental activities, instruction, support services, non-instructional programs, other and debt service expenses, for the year ended June 30, 2014 compared to the year ended June 30, 2013. The total cost of services column contains all costs related to the programs and the net cost column shows how much of the total amount is not covered by program revenues. Succinctly put, net costs are costs that must be covered by state aid and local taxes. The difference in these two columns would represent restricted grants and services. Net cost of services is 85.19% of total cost of services in 2014.

**Figure A-5
Total and Net Cost of Governmental Activities**

	Total Cost of Services			Net Cost of Services		
	June 30,			June 30,		
	2014	2013	2013-2014	2014	2013	2013-2014
Instruction	\$ 50,142,591	46,336,463	8.21%	40,967,491	37,984,082	7.85%
Support services	24,216,376	21,048,302	15.05%	23,705,015	20,566,460	15.26%
Other	6,967,215	6,574,254	5.98%	3,825,465	3,769,937	1.47%
Debt service	5,303,145	5,109,771	3.78%	5,303,145	5,109,771	3.78%
	\$ 86,629,327	79,068,790	9.56%	73,801,116	67,430,250	9.45%

Business Type Activities – Revenues for business type activities during the year ended June 30, 2014 were \$5,858,192 representing, an 12.31% increase over the prior year, while expenses totaled \$6,193,031, a 20.67% increase over the prior year. The District's business type activities include the School Nutrition Fund, Community Daycare and Community Education.

Individual Fund Analysis

As noted earlier, the Waukee Community School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds – The focus of the Waukee Community School District's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Waukee Community School District's governmental funds reported combined ending balances of \$44,413,687, an increase of \$901,892 in comparison with the prior year. Approximately 14.24% of this total amount or \$6,323,937 constitutes unassigned fund balance and is available for spending at the government's discretion. The remainder of the fund balance is nonspendable or restricted. Restricted net position represent resources subject to external restrictions, constitutional provisions or enabling legislation on how they can be used. The nonspendable fund balance of \$49,831 is in inventories. Restricted fund balances consist of \$535,668 for categorical funding, \$5,431,114 for debt service, \$4,497,832 for management levy purposes, \$504,581 for student activities, \$26,571,991 for school infrastructure and \$499,183 for physical plant and equipment.

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$6,323,937 while total fund balance reached \$6,908,986. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and the total fund balance to total fund expenditures. Unassigned fund balance represents 8.70% of total General Fund expenditures.

The fund balance of the District's General Fund decreased \$2,886,814 during the current fiscal year. This decrease was anticipated and was due to increased staff costs due to the increased number of students enrolled. The State of Iowa did increase supplemental state aid 2%, the amount the District receives per student. The prior year there was no increase in state funding. The State of Iowa also gave a one-time 2% supplemental aid allocation.

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Management's Discussion and Analysis
Year Ended June 30, 2014**

The District's other major funds include the Debt Service Fund and the Capital Projects Fund. The Debt Service fund balance decreased \$10,796,694 due to the payment to escrow and repayment of refunding bond issuance held until callable. The Capital Projects fund balance increased \$14,189,731 due to the issuance of revenue bonds. The District issued \$33,475,000 in revenue bonds in June 2013 to finance capital facility construction of Timberline which will be completed for the start of the 2015-16 school year.

Budgetary Highlights

As allowed by GASB Statement No. 41, *Budgetary Comparison-Schedules – Perspective Differences*, the District presents budgetary comparison schedules as required supplementary information based on the program structure of four functional areas as required by state statute for its legally adopted budget. In accordance with the Code of Iowa, the Board of Education annually adopts a program budget for all funds except agency funds as described in the note to required supplementary information.

A comparison of the actual expenditures/expenses of the District's budgeted funds with the final budget amounts is as follows:

	Budget- Original	Budget- Final	Actual	Variance
Instruction	\$ 47,920,000	50,700,000	50,254,296	445,704
Support services	20,961,147	20,961,147	21,327,947	(366,800)
Non-instructional programs	5,500,000	5,500,000	5,997,093	(497,093)
Other	64,150,111	64,150,111	54,325,984	9,824,127
	<u>\$ 138,531,258</u>	<u>141,311,258</u>	<u>131,905,320</u>	<u>9,405,938</u>

In spite of the District's budgetary practice, the certified budget was exceeded in the support services and non-instructional programs functional area due to the timing of expenditures at year-end without sufficient time to amend the certified budget.

Capital Assets and Debt Administration

Capital Assets – The following table shows ending balances of capital assets invested in various categories. The District recognized a total net increase of \$17,528,767. The increase can be attributed to completion of Woodland Hill Elementary and Vince Meyer Learning Center projects. Increased construction in progress not completed at June 30 also impacted the increase. Projects underway include Timberline, Grant Ragan Elementary and Eason Elementary HVAC project.

**Figure A-6
Capital Assets, Net of Depreciation**

	Governmental activities		Business Type activities		Total District		Total Change
	June 30,		June 30,		June 30,		June 30,
	2014	2013	2014	2013	2014	2013	2013-2014
Land	\$ 8,337,857	7,737,857	-	-	8,337,857	7,737,857	7.75%
Improvements other than buildings	4,326,096	4,679,678	-	-	4,326,096	4,679,678	-7.56%
Buildings and improvements	160,224,045	146,980,771	-	-	160,224,045	146,980,771	9.01%
Furniture and equipment	1,949,309	2,065,512	2,023,634	1,950,023	3,972,943	4,015,535	-1.06%
Construction in progress	19,793,741	15,712,074	-	-	19,793,741	15,712,074	25.98%
Total	<u>\$ 194,631,048</u>	<u>177,175,892</u>	<u>2,023,634</u>	<u>1,950,023</u>	<u>196,654,682</u>	<u>179,125,915</u>	<u>9.79%</u>

Additional information about the District's capital assets can be found in note 5 to the financial statements.

Debt – As of June 30, 2014, the Waukee Community School District had general obligation bonds, capital loan notes and revenue bonds outstanding principal balance totaling \$141,540,000. In the current year, the District paid \$20,490,000 in principal and \$5,403,107 in interest.

As of June 30, 2014, the District's available debt limit was \$223,891,283 which leaves a legal debt margin of \$82,351,283 once the current year applicable general obligation and capital loan debt is applied.

**Figure A-7
Long-term Debt Obligations**

	Total School District		Total Change
	June 30,		June 30,
	2014	2013	2013-2014
General obligation bonds	\$ 87,307,385	106,348,462	-17.90%
Revenue bonds	51,147,076	20,085,909	154.64%
Capital loan notes	5,355,000	7,880,000	-32.04%
Early retirement payable	271,193	406,943	-33.36%
Net OPEB liability	3,593,263	3,018,211	19.05%
Compensated absences	353,741	281,620	25.61%
Totals	\$148,027,658	138,021,145	7.25%

Additional information about the District's long-term debt can be found in note 6 to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The District is located in the central part of the state, approximately 15 miles west of the city of Des Moines. The District, comprised totally in Dallas County, Iowa, is one of the fastest growing counties in the nation. The District is the fastest growing school district in the State of Iowa. The October 2014 certified student enrollment increased 484.69 students over the previous year. The economic condition and outlook of the District is one of great optimism. Over the past nine years the total taxable assessed value in the District has increased by \$1.67 billion. The taxable assessed value has increased 198.23% since 2005. For the current fiscal year, taxable assessed value in the District increased \$221,675,205 or 9.65%.

Based on conservative estimates this trend is expected to continue and probably accelerate in the immediate future. The eastern portions of Dallas County are experiencing growth in both residential and commercial development. The collection of the statewide sales tax, a one cent tax on all covered retail sales, began in January of 2004 and generated \$7.3 million dollars in fiscal 2014. An estimated \$7.3 million dollars is expected to be generated in 2015. The one-cent sales tax will continue through December of 2029 and is now part of the state pool.

This growth, while having a positive impact, also presents significant challenges for the District. The District is utilizing the optional instructional support levy to its fullest and will need to continue its high level of efficient use of human resources and facilities.

Retail sales, building permits and population increases in the western suburbs far exceed that of any other location in the metropolitan area or in the State of Iowa. Dallas County is one of the fastest growing counties in the country. These increases are projected to continue if economic conditions remain favorable.

The past year saw a dramatic State of Iowa economic upturn. Revenue projections at the state level increased drastically from the previous year. The District has faced reductions in funding for state aid and other state-funded programs in the two previous fiscal years. The District has taken a pro-active approach to fiscal stability that has served it well in these times of financial crisis. The 2014 legislature set supplemental state aid for 2013-14 at 2%, plus a 2% one-time state aid allocation, and for 2014-15 at 4%. We are optimistic about the District's financial outlook because of prudent actions taken over the past six to seven years. The District has positioned itself extremely well to withstand financial uncertainties at both the state and federal level. We are confident as the national economy begins to strengthen, state revenues will follow the same upward direction.

Requests for Information

These financial statements and discussions are designed to provide our students, citizens, taxpayers, investors and creditors with a complete disclosure of the District's finances and to demonstrate a high degree of accountability for the public dollars entrusted to us. If you have questions about this report or need additional information, please write Lora Appenzeller-Miller, Chief Financial Officer, Waukee Community School District, 560 S.E. University Avenue, Waukee, Iowa, 50263.

Basic Financial Statements

Waukee Community School District
Statement of Net Position
June 30, 2014

	Governmental Activities	Business Type Activities	Total Primary Government
Assets			
Current Assets:			
Cash and cash equivalents	\$ 55,271,861	2,988,456	\$ 58,260,317
Receivables:			
Property tax:			
Delinquent	44,418	-	44,418
Succeeding year	47,279,465	-	47,279,465
Accounts	70,230	15,507	85,737
Due from other governments	2,183,314	500	2,183,814
Inventories	49,381	64,802	114,183
Total current assets	104,898,669	3,069,265	107,967,934
Non-current assets:			
Capital assets:			
Land	8,337,857	-	8,337,857
Improvements other than buildings	7,460,173	-	7,460,173
Buildings and improvements	188,191,015	-	188,191,015
Vehicles, furniture and equipment	4,746,613	3,594,484	8,341,097
Construction in progress	19,793,741	-	19,793,741
Accumulated depreciation	(33,898,351)	(1,570,850)	(35,469,201)
Total capital assets	194,631,048	2,023,634	196,654,682
Total non-current assets	194,631,048	2,023,634	196,654,682
Total assets	299,529,717	5,092,899	304,622,616
Liabilities			
Current liabilities:			
Excess of outstanding warrants over bank balance	-	25,103	25,103
Accounts payable	3,410,463	66,584	3,477,047
Salaries and benefits payable	7,061,045	53,179	7,114,224
Advances from prepaid lunches	-	81,867	81,867
Advances from prepaid tuition	-	1,093	1,093
Deposits payable	71,772	-	71,772
Contracts payable	612,159	-	612,159
Incurred but not reported claims	559,189	-	559,189
Accrued interest payable	599,406	-	599,406
Capital loan notes payable	2,640,000	-	2,640,000
Revenue bonds payable	2,672,499	-	2,672,499
General obligation bonds payable	4,862,866	-	4,862,866
Early retirement payable	77,100	-	77,100
Compensated absences	332,887	20,854	353,741
Total current liabilities	22,899,386	248,680	23,148,066

**Waukee Community School District
Statement of Net Position
June 30, 2014**

	Governmental Activities	Business Type Activities	Total Primary Government
<i>Continued from previous page</i>			
Noncurrent liabilities:			
Capital loan notes payable	2,715,000	-	2,715,000
Revenue bonds payable	48,474,577	-	48,474,577
General obligation bonds payable	82,444,519	-	82,444,519
Early retirement payable	194,093	-	194,093
Net OPEB liability	3,344,359	248,904	3,593,263
Total noncurrent liabilities	137,172,548	248,904	137,421,452
Total liabilities	160,071,934	497,584	160,569,518
Deferred Inflows of Resources			
Unavailable property tax revenue	47,279,465	-	47,279,465
Total deferred inflows of resources	47,279,465	-	47,279,465
Net Position			
Net investment in capital assets	50,821,587	2,023,634	52,845,221
Restricted for:			
Categorical funding	535,668	-	535,668
Management levy purposes	4,226,639	-	4,226,639
Physical plant and equipment levy	499,183	-	499,183
Student activities	504,581	-	504,581
School infrastructure	26,571,991	-	26,571,991
Debt service	5,431,114	-	5,431,114
Unrestricted	3,587,555	2,571,681	6,159,236
Total net position	\$ 92,178,318	4,595,315	96,773,633

See notes to financial statements.

Waukee Community School District
Statement of Activities
Year ended June 30, 2014

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Service	Operating Grants, Contributions and Restricted Interest	Governmental Activities	Business Type Activities	Total Primary Government
Functions/Programs						
Governmental activities:						
Instruction:						
Regular	\$ 36,727,223	1,690,489	4,673,148	(30,363,586)	-	(30,363,586)
Special	7,542,819	469,088	1,405,792	(5,667,939)	-	(5,667,939)
Other	5,872,549	890,568	46,015	(4,935,966)	-	(4,935,966)
	<u>50,142,591</u>	<u>3,050,145</u>	<u>6,124,955</u>	<u>(40,967,491)</u>	<u>-</u>	<u>(40,967,491)</u>
Support services:						
Student	2,492,556	-	-	(2,492,556)	-	(2,492,556)
Instructional staff	3,742,451	-	-	(3,742,451)	-	(3,742,451)
Administration	5,283,661	-	-	(5,283,661)	-	(5,283,661)
Operation and maintenance of plant	9,509,030	227,665	-	(9,281,365)	-	(9,281,365)
Transportation	3,188,678	46,336	237,360	(2,904,982)	-	(2,904,982)
	<u>24,216,376</u>	<u>274,001</u>	<u>237,360</u>	<u>(23,705,015)</u>	<u>-</u>	<u>(23,705,015)</u>
Other expenses:						
Interest (unallocated)	5,303,145	-	-	(5,303,145)	-	(5,303,145)
AEA flowthrough	3,141,750	-	3,141,750	-	-	-
Depreciation (unallocated) *	3,825,465	-	-	(3,825,465)	-	(3,825,465)
	<u>12,270,360</u>	<u>-</u>	<u>3,141,750</u>	<u>(9,128,610)</u>	<u>-</u>	<u>(9,128,610)</u>
Total governmental activities	86,629,327	3,324,146	9,504,065	(73,801,116)	-	(73,801,116)
Business type activities:						
Support services:						
Administration	74,399	-	-	-	(74,399)	(74,399)
Operation and maintenance of plant	87,786	-	-	-	(87,786)	(87,786)
Transportation	30,878	-	-	-	(30,878)	(30,878)
	<u>193,063</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(193,063)</u>	<u>(193,063)</u>
Non-instructional programs:						
Food service operations	4,368,264	2,982,903	1,190,464	-	(194,897)	(194,897)
Daycare operations	1,302,248	1,564,904	-	-	262,656	262,656
Community education operations	329,456	116,701	-	-	(212,755)	(212,755)
	<u>5,999,968</u>	<u>4,664,508</u>	<u>1,190,464</u>	<u>-</u>	<u>(144,996)</u>	<u>(144,996)</u>
Total business type activities	6,193,031	4,664,508	1,190,464	-	(338,059)	(338,059)
Total primary government	<u>\$ 92,822,358</u>	<u>7,988,654</u>	<u>10,694,529</u>	<u>(73,801,116)</u>	<u>(338,059)</u>	<u>(74,139,175)</u>

Waukee Community School District
Statement of Activities
Year ended June 30, 2014

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Service	Operating Grants, Contributions and Restricted Interest	Governmental Activities	Business Type Activities	Total Primary Government
Totals continued from previous page	\$ 92,822,358	7,988,654	10,694,529	\$ (73,801,116)	(338,059)	(74,139,175)
General Revenues:						
Property tax levied for:						
General purposes				27,631,082	-	27,631,082
Debt service				11,932,500	-	11,932,500
Capital outlay				4,920,317	-	4,920,317
Statewide sales, services and use tax				7,269,180	-	7,269,180
Unrestricted state grants				30,834,917	-	30,834,917
Grants and contributions not restricted to specific programs				492,318	-	492,318
Unrestricted investment earnings				92,578	3,220	95,798
Other				437,553	-	437,553
Total general revenues				83,610,445	3,220	83,613,665
Change in net position before transfers				9,809,329	(334,839)	9,474,490
Transfers:						
Capital contributions				(275,991)	275,991	-
Transfers				(201,025)	201,025	-
Total contributions and transfers				(477,016)	477,016	-
Change in net position				9,332,313	142,177	9,474,490
Net position beginning of year				82,846,005	4,453,138	87,299,143
Net position end of year				\$ 92,178,318	4,595,315	96,773,633

* This amount excludes the depreciation that is included in the direct expense of the various programs.

See notes to financial statements.

Exhibit C

**Waukee Community School District
Balance Sheet
Governmental Funds
June 30, 2014**

	General	Debt Service	Capital Projects	Non-major Governmental Funds	Total
Assets					
Cash and pooled investments	\$ 14,205,853	1,048,060	32,892,274	5,075,596	53,221,783
Receivables:					
Property tax:					
Delinquent	28,817	10,263	4,232	1,106	44,418
Succeeding year	32,064,251	9,924,663	5,290,551	-	47,279,465
Accounts	68,889	-	-	1,341	70,230
Due from other governments	985,139	150	1,198,010	15	2,183,314
Inventories	49,381	-	-	-	49,381
Total assets	\$ 47,402,330	10,983,136	39,385,067	5,078,058	102,848,591
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts payable	\$ 1,373,184	-	1,973,342	63,937	3,410,463
Salaries and benefits payable	7,055,909	-	-	5,136	7,061,045
Deposits payable	-	65,200	-	6,572	71,772
Contracts payable	-	-	612,159	-	612,159
Total liabilities	8,429,093	65,200	2,585,501	75,645	11,155,439
Deferred inflows of resources:					
Unavailable revenues:					
Succeeding year property tax	32,064,251	9,924,663	5,290,551	-	47,279,465
Total deferred inflows of resources	32,064,251	9,924,663	5,290,551	-	47,279,465
Fund balances:					
Nonspendable fund balance:					
Inventories	49,381	-	-	-	49,381
Restricted for:					
Categorical funding	535,668	-	-	-	535,668
Debt service	-	993,273	4,437,841	-	5,431,114
Mangement levy purposes	-	-	-	4,497,832	4,497,832
Student activities	-	-	-	504,581	504,581
School infrastructure	-	-	26,571,991	-	26,571,991
Physical plant and equipment	-	-	499,183	-	499,183
Unassigned	6,323,937	-	-	-	6,323,937
Total fund balances	6,908,986	993,273	31,509,015	5,002,413	44,413,687
Total liabilities, deferred inflows of resources and fund balances	\$ 47,402,330	10,983,136	39,385,067	5,078,058	102,848,591

See notes to financial statements.

Exhibit D

**Waukee Community School District
 Reconciliation of the Balance Sheet
 Governmental Funds To the Statement of Net Position
 June 30, 2014**

Total fund balances of governmental funds (Exhibit C) \$ 44,413,687

Amounts reported for governmental activities in the statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. 194,631,048

The Internal Service Fund is used to charge the costs of the District's flexible benefits plan and self-funded dental plan to the governmental funds. The Net Position of the Internal Service Fund are therefore included in governmental activities. 1,490,889

Long-term liabilities, including bonds and notes payable, early retirement and compensated absences, are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Those liabilities at year-end consist of:

Capital loan notes payable	\$	(5,355,000)	
Revenue bonds payable		(49,630,000)	
General obligation bonds payable		(86,555,000)	
Bond discounts		852,642	
Bond premiums		(3,122,103)	
Accrued interest		(599,406)	
Early retirement		(271,193)	
Compensated absences		(332,887)	
Other post employment benefits		(3,344,359)	
		(3,344,359)	(148,357,306)

Net position of governmental activities (Exhibit A) \$ 92,178,318

See notes to financial statements.

Exhibit E

Waukee Community School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year ended June 30, 2014

	General	Debt Service	Capital Projects	Non-major Governmental Funds	Total
Revenues:					
Local sources:					
Local tax	\$ 26,640,942	11,932,500	4,920,317	990,140	44,483,899
Tuition	1,752,066	-	-	-	1,752,066
Other	1,246,263	22,170	107,226	1,218,870	2,594,529
State sources	38,896,147	1,823	7,269,932	168	46,168,070
Federal sources	1,440,092	-	-	-	1,440,092
Total revenues	69,975,510	11,956,493	12,297,475	2,209,178	96,438,656
Expenditures:					
Current:					
Instruction:					
Regular	36,363,623	-	-	379,461	36,743,084
Special	7,602,625	-	-	-	7,602,625
Other	4,790,425	-	-	1,118,162	5,908,587
	48,756,673	-	-	1,497,623	50,254,296
Support services:					
Student	2,515,078	-	-	-	2,515,078
Instructional staff	3,753,678	-	-	-	3,753,678
Administration	5,436,954	8,500	47,622	1,240	5,494,316
Operation and maintenance of plant	5,890,375	-	-	314,646	6,205,021
Transportation	3,166,791	-	-	-	3,166,791
	20,762,876	8,500	47,622	315,886	21,134,884
Capital outlay:					
Facilities acquisition	-	-	25,174,457	-	25,174,457
Debt service:					
Principal	-	20,490,000	-	-	20,490,000
Debt issuance costs	-	30,302	86,368	-	116,670
Interest and fiscal charges	-	5,403,107	-	-	5,403,107
	-	25,923,409	86,368	-	26,009,777
Intergovernmental:					
Other expenditures	3,141,750	-	-	-	3,141,750
Total expenditures	72,661,299	25,931,909	25,308,447	1,813,509	125,715,164
Excess (deficiency) of revenues over (under) expenditures	(2,685,789)	(13,975,416)	(13,010,972)	395,669	(29,276,508)
Other financing sources (uses):					
Issuance of revenue bonds	-	-	33,475,000	-	33,475,000
Premium on the issuance of debt	-	-	1,195,511	-	1,195,511
Discount on the issuance of debt	-	-	(371,872)	-	(371,872)
Payment to refunded bond escrow agent	-	(3,919,214)	-	-	(3,919,214)
Transfers in	-	7,097,936	-	-	7,097,936
Transfers out	(201,025)	-	(7,097,936)	-	(7,298,961)
Total other financing sources (uses)	(201,025)	3,178,722	27,200,703	-	30,178,400
Net change in fund balances	(2,886,814)	(10,796,694)	14,189,731	395,669	901,892
Fund balances beginning of year	9,795,800	11,789,967	17,319,284	4,606,744	43,511,795
Fund balances end of year	\$ 6,908,986	993,273	31,509,015	5,002,413	44,413,687

See notes to financial statements.

**Waukee Community School District
 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds to the Statement of Activities
 Year ended June 30, 2014**

Net change in fund balances - total governmental funds (Exhibit E) \$ 901,892

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, those costs are reported in the Statement of Net Position and are allocated over their estimated useful lives as depreciation expense in the Statement of Activities. The amounts of capital outlays and depreciation expense in the year are as follows:

Expenditures for capital assets	\$ 21,735,752	
Depreciation expense	<u>(4,280,596)</u>	17,455,156

Proceeds from issuing long-term liabilities provide current financial resources to governmental funds, but increases long-term liabilities in the Statement of Net Position. Repayment of long-term debt liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of issuance costs and premiums, whereas these amounts are deferred in and amortized in the Statement of Activities. Current year items are as follows:

Issuance of bond and note principal	(33,475,000)	
Premium on the issuance of debt	(1,195,511)	
Discount on the issuance of debt	371,872	
Repayments of bond and note principal	24,665,000	
Amortization of premiums and discounts	<u>138,549</u>	(9,495,090)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when due. In the Statement of Activities, interest expense is recognized as the interest accrues, regardless of when it is due.

(177,703)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Early retirement	135,750	
Compensated absences	(62,709)	
Net OPEB liability	<u>(535,218)</u>	(462,177)

The change in Net Position of the Internal Service Funds represent an undercharge to the governmental funds served and, therefore, increases expenses in the Statement of Activities.

1,110,235

Change in net position of governmental activities (Exhibit B)

\$ 9,332,313

See notes to financial statements.

Waukee Community School District
Statement of Net Position
Proprietary Funds
June 30, 2014

	Business Type Activities	Governmental Activities
	Non-major Enterprise Funds	Internal Service Funds
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,988,456	2,050,078
Receivables:		
Accounts	15,507	-
Due from other governments	500	-
Inventories	64,802	-
Total current assets	<u>3,069,265</u>	<u>2,050,078</u>
Non-current assets:		
Capital assets:		
Equipment	3,594,484	-
Accumulated depreciation	(1,570,850)	-
Total noncurrent assets	<u>2,023,634</u>	<u>-</u>
Total assets	<u>5,092,899</u>	<u>2,050,078</u>
Liabilities		
Current liabilities:		
Excess of outstanding warrants over bank balance	25,103	-
Accounts payable	66,584	-
Salaries and benefits payable	53,179	-
Incurred but not reported claims	-	559,189
Advances from prepaid lunches	81,867	-
Advances from prepaid tuition	1,093	-
Compensated absences	20,854	-
Total current liabilities	<u>248,680</u>	<u>559,189</u>
Noncurrent liabilities:		
Net OPEB liability	248,904	-
Total noncurrent liabilities	<u>248,904</u>	<u>-</u>
Total liabilities	<u>497,584</u>	<u>559,189</u>
Net Position		
Invested in capital assets	2,023,634	-
Unrestricted	2,571,681	1,490,889
Total net position	<u>\$ 4,595,315</u>	<u>1,490,889</u>

See notes to financial statements.

Waukee Community School District
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
Year ended June 30, 2014

	Business Type Activities	Governmental Activities
	Non-major Enterprise Funds	Internal Service Funds
Operating revenue:		
Local sources:		
Charges for services	\$ 4,664,508	6,901,764
Operating expenses:		
Support services:		
Administration services	74,399	5,796,899
Operation and maintenance of plant	87,786	-
Transportation services	30,878	-
	<u>193,063</u>	<u>5,796,899</u>
Non-instructional programs:		
Food service operations:		
Depreciation	267,555	-
Other	4,097,834	-
	<u>4,365,389</u>	<u>-</u>
Other enterprise operations:		
Depreciation	13,695	-
Other	1,618,009	-
	<u>1,631,704</u>	<u>-</u>
Total operating expenses	<u>6,190,156</u>	<u>5,796,899</u>
Operating income (loss)	<u>(1,525,648)</u>	<u>1,104,865</u>
Non-operating revenues (expenses):		
Interest on investments	3,220	5,370
State sources	30,556	-
Federal sources	1,159,908	-
Loss on disposal of capital assets	(2,875)	-
Total non-operating revenues	<u>1,190,809</u>	<u>5,370</u>
Income (loss) before contributions and transfers	(334,839)	1,110,235
Contributions and transfers:		
Capital contributions	275,991	-
Transfers in	201,025	-
Transfers out	-	-
Total contributions and transfers	<u>477,016</u>	<u>-</u>
Change in net position	142,177	1,110,235
Net position beginning of year	<u>4,453,138</u>	<u>380,654</u>
Net position end of year	<u>\$ 4,595,315</u>	<u>1,490,889</u>

See notes to financial statements.

Waukee Community School District
Statement of Cash Flows
Proprietary Funds
Year ended June 30, 2014

	Business Type Activities	Governmental Activities
	Non-major Enterprise Funds	Internal Service Fund
Cash flows from operating activities:		
Cash received from sale of lunches and breakfasts	\$ 2,936,234	-
Cash received from miscellaneous operating activities	1,759,872	6,901,764
Cash payments to employees for services	(3,223,301)	(5,237,710)
Cash payments to suppliers for goods or services	(2,403,002)	-
Net cash provided (used) by operating activities	<u>(930,197)</u>	<u>1,664,054</u>
Cash flows from non-capital financing activities:		
Transfers in	201,025	-
Loss on disposal of capital assets	(2,875)	-
State grants received	30,556	-
Federal grants received	931,846	-
Net cash provided by non-capital financing activities	<u>1,160,552</u>	<u>-</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(78,870)	-
Net cash used by capital and related financing activities	<u>(78,870)</u>	<u>-</u>
Cash flows from investing activities:		
Interest on investments	3,220	5,370
Net increase in cash and cash equivalents	154,705	1,669,424
Cash and cash equivalents at beginning of year	<u>2,808,648</u>	<u>380,654</u>
Cash and cash equivalents at end of year	<u>\$ 2,963,353</u>	<u>2,050,078</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ (1,525,648)	1,104,865
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Commodities used	227,562	-
Depreciation	281,250	-
Decrease in accounts receivable	24,970	-
Increase in inventories	(23,883)	-
Increase in accounts payable	41,202	-
Decrease in salaries and benefits payable	(11,524)	-
Increase in incurred but not reported claims	-	559,189
Increase in unearned revenue	6,628	-
Increase in compensated absences payable	9,412	-
Increase in net OPEB liability	39,834	-
Net cash provided (used) by operating activities	<u>\$ (930,197)</u>	<u>1,664,054</u>
Reconciliation of cash and cash equivalents at year end to specific assets included on Combined Balance Sheet:		
Current assets:		
Cash and investments	\$ 2,963,353	2,050,078
Cash and cash equivalents at year end	<u>\$ 2,963,353</u>	<u>2,050,078</u>
Non-cash investing, capital and financing activities:		
Noncapital financing activities, commodities received from the US Department of Agriculture	\$ 227,562	\$ -
Capital and related financing activities, capital contributions	275,991	-

See notes to financial statements.

Exhibit J

**Waukee Community School District
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2014**

	<u>Private Purpose Trust</u>
	<u>Scholarship</u>
Assets	
Cash and pooled investments	\$ 228,806
Total assets	<u>228,806</u>
Net position	
Assets held in trust for scholarships	<u>\$ 228,806</u>

See notes to financial statements.

Exhibit K

Waukee Community School District
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
Year Ended June 30, 2014

	<u>Private Purpose</u> <u>Trust</u>
	<u>Scholarship</u>
Additions:	
Local sources:	
Donations	\$ 5,723
Interest	6,280
Total additions	<u>12,003</u>
Deductions:	
Instruction:	
Scholarships awarded	<u>13,034</u>
Total deductions	<u>13,034</u>
Change in net position	(1,031)
Net position beginning of year	<u>229,837</u>
Net position end of year	<u>\$ 228,806</u>

See notes to financial statements.

(1) **Summary of Significant Accounting Policies**

The Waukee Community School District is a political subdivision of the State of Iowa and operates public schools for children in grades kindergarten through twelve and special education pre-kindergarten. Additionally, the District either operates or sponsors various adult education programs. These courses include remedial education as well as vocational and recreational courses. The geographic area served includes the city of Waukee, Iowa; portions of the cities of West Des Moines, Clive and Urbandale, and the agricultural territory in Dallas County. The District is governed by a Board of Education whose members are elected on a non-partisan basis.

The District's financial statements are prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

A. Reporting Entity

For financial reporting purposes, Waukee Community School District has included all funds, organizations, agencies, boards, commissions and authorities. The District has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the District to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the District. Waukee Community School District has no component units which meet the Governmental Accounting Standards Board criteria.

Jointly Governed Organization – The District participates in a jointly governed organization that provides services to the District but does not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. The District is a member of the Dallas County Assessor's Conference Board.

B. Basis of Presentation

Government-wide Financial Statements - The Statement of Net Position and the Statement of Activities report information on all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by tax and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for service.

The Statement of Net Position presents the District's non-fiduciary assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Net position are reported in the following categories:

Net investment in capital assets consists of capital assets, net of accumulated depreciation plus unspent bond proceeds and reduced by outstanding balances for bonds, notes, and other debt that are attributed to the acquisition, construction, or improvement of those assets.

Restricted net position results when constraints placed on net position use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position consists of net position not meeting the definition of the two preceding categories. Unrestricted net position often has constraints on resources that are imposed by management which can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants, contributions and interest that are restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program revenues are reported instead as general revenues.

(1) *Summary of Significant Accounting Policies (continued from previous page)*

Fund Financial Statements - Separate financial statements are provided for governmental, proprietary, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as other non-major governmental funds. Combining schedules are also included for the Capital Project Fund accounts.

Fund accounting - The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, reserves, fund balance/Net Position, revenues and expenditures or expenses, as appropriate. The District has the following funds:

Governmental Fund Types: Governmental fund types are those funds through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds:

General Fund: The General Fund accounts for all sources used to finance District operation and maintenance, except those required to be accounted for in another fund.

Debt Service Fund: The Debt Service Fund is utilized to account for property tax and other revenues to be used for the payment of interest and principal on the District's general long-term debt.

Capital Projects Fund: The Capital Projects Fund is used to account for all resources used in the acquisition and construction of capital facilities and other capital assets.

The other governmental funds of the District are considered non-major and are as follows:

Special Revenue Funds: The Special Revenue Funds account for the revenue sources that are legally restricted to expenditures for specific purposes. These funds consist of the following:

Student Activity Funds: This fund accounts for transactions that occur due to student-related activities from groups and organizations such as athletic and activity events, fundraising and other extra-curricular or co-curricular activities.

Management Fund: This fund is authorized by Iowa Code Section 298.4 and accounts for transactions related to unemployment, early retirement, judgments and settlements and the cost of liability insurance as it relates to property and casualty.

Proprietary Fund Types: Proprietary fund types are used to account for the District's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon income determination, financial position and cash flows. The following are the District's proprietary funds:

Enterprise Funds: Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the District has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, the District has elected to apply all applicable Financial Accounting Standards Board (FASB) pronouncements, issued on or before November 30, 1989, except for those pronouncements which conflict with or contradict GASB pronouncements.

(1) *Summary of Significant Accounting Policies (continued from previous page)*

The following enterprise funds of the District are considered non-major:

School Nutrition Fund: This fund accounts for transactions related to the school lunch, breakfast and summer food programs authorized by Iowa Code 283A.

Community Daycare Fund: This fund accounts for transactions for before and after school child care and summer child care programs authorized by Iowa Code 298A.12 and 279.49.

Community Education Fund: This fund accounts for transactions for facilities and services to provide further education opportunities to the local area.

Internal Service Funds: The internal service funds are used to account for goods or services provided by one department to other departments of the District on a cost reimbursement basis. The internal service funds are charged back to the Governmental Funds and shown combined in the statement of net position and statement of activities. This chargeback is based on a percentage of total employees by the participants various functional areas. The District has the following internal service funds:

Self-Funded Dental Plan: This fund accounts for transactions for self-insured dental insurance received by District employees in which the District is responsible for paying all claims and administrative costs attributable to the insurance.

Self-Funded Health Plan: This fund accounts for transactions for self-insured health insurance received by District employees in which the District is responsible for paying all claims and administrative costs attributable to the insurance.

Flexible benefits: This fund accounts for transactions for certain benefits available to District employees in which the District is responsible for paying all premiums or costs specified by the employee.

Fiduciary Fund Types: Fiduciary funds account for assets held by the District in a trustee or agency capacity for the benefit of others and cannot be used to support District activities. The District has the following fiduciary fund type:

Private Purpose Trust Fund: This fund accounts for assets held by the District under trust agreements with restrictions of income earned to be used to benefit individuals through scholarship awards.

C. Measurement Focus and Basis of Accounting

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days after year end.

Property tax, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the District.

(1) *Summary of Significant Accounting Policies (continued from previous page)*

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments, and compensated absences are recognized as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted Net Position available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, and then general revenues.

When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, the District's policy is generally to first apply the expenditure toward restricted fund balance and then to less-restrictive classifications – committed, assigned and then unassigned fund balances.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's Enterprise Funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The District maintains its financial records on the cash basis. The financial statements of the District are prepared by making memorandum adjusting entries to the cash basis financial records.

D. Assets, Liabilities and Fund Equity

The following accounting policies are followed in preparing the financial statements:

Cash, Pooled Investments and Cash Equivalents – The cash balances of most District funds are pooled and invested. Investments are stated at fair value except for the investments in the Iowa Schools Joint Investment Trust and The Education Liquidity Fund (TELF), which are valued at amortized cost, and non-negotiable certificates of deposit, which are stated at cost.

For purposes of the statement of cash flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash, and at the day of purchase, have a maturity date no longer than three months.

Property Tax Receivable – Property tax in the governmental funds are accounted for using the modified accrual basis of accounting.

Property tax receivable is recognized in these funds on the levy or lien date, which is the date that the tax asking is certified by the Board of Education. Delinquent property tax receivable represents unpaid taxes for the current and prior years. The succeeding year property tax receivable represents taxes certified by the Board of Education to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the District is required to certify its budget in April of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is deferred in both the government-wide and fund financial statements and will not be recognized as revenue until the year for which it is levied.

Property tax revenue recognized in these funds become due and collectible in September and March of the fiscal year with a 1½% per month penalty for delinquent payments; is based on January 1, 2012 assessed property valuations; is for the tax accrual period July 1, 2013 through June 30, 2014 and reflects the tax asking contained in the budget certified to the County Board of Supervisors in April, 2013.

**Waukee Community School District
Notes to Financial Statements
Year Ended June 30, 2014**

(1) *Summary of Significant Accounting Policies (continued from previous page)*

Due from Other Governments – Due from other governments represents amounts due from the State of Iowa, various shared revenues, grants and reimbursements from other governments.

Inventories – Inventories are valued at the moving average cost for purchased items and contributed value (fair value at the date received) for government commodities and other donated items. Inventories are recorded as expenses when consumed in the Government-wide financial statements and proprietary funds' financial statements. In the governmental fund financial statements, inventories are accounted for using the consumption method whereby inventory acquisitions are recorded in inventory accounts when purchased and are charged to operations when consumed or sold. In the proprietary fund financial statements, inventories are recorded at the lower costs (first in, first out method) or market and food commodities which were received from the federal government recorded at the contributed value as of the date received.

Capital Assets – Capital assets, which include property, furniture, and equipment, are reported in the applicable governmental or business type activities columns in the government-wide Statement of Net Position. Capital assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are defined by the District as assets with an initial, individual cost in excess of the following thresholds and estimated useful lives in excess of two years.

<u>Asset Class</u>	<u>Amount</u>
Land	\$ 2,500
Buildings	2,500
Improvements other than buildings	2,500
Furniture and equipment:	
School Nutrition Fund equipment	500
Other furniture and equipment	2,500

Capital assets (with the exception of land and construction in progress, which are not depreciated) are depreciated using the straight line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives (In Years)</u>
Buildings	50 years
Improvements other than buildings	20 years
Furniture and equipment	5-20 years

Salaries and Benefits Payable - Payroll and related expenditures for teachers with annual contracts corresponding to the current school year, which are payable in July and August, have been accrued as liabilities.

Advances – Proceeds received by the District for which services will be rendered in a succeeding fiscal year, such as prepaid lunch money and prepaid tuition.

Compensated Absences – District employees accumulate a limited amount of earned but unused vacation for subsequent use or for payment upon termination, death or retirement. A liability is recorded when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental fund financial statements only for employees that have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2014. The compensated absences liability attributable to the governmental activities will be paid primarily by the General Fund.

Long-term Liabilities – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities column in the Statement of Net Position.

(1) *Summary of Significant Accounting Policies (continued from previous page)*

Deferred Inflows of Resources - Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the governmental fund financial statements represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources consist of property tax receivable and other receivables not collected within sixty days after year end.

Deferred inflows of resources on the Statement of Net Position consists of the succeeding year property tax receivable that will not be recognized as revenue until the year for which it is levied.

Fund Equity – In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable – Amounts which cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors or state or federal laws or imposed by law through constitutional provisions or enabling legislation.

Committed – Amounts which can be used only for specific purposes determined pursuant to constraints formally imposed by the Board of Education through resolution approved prior to year end. Those committed amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same action it employed to commit those amounts.

Assigned – Amounts constrained by the District's intent to use them for a specific purpose. The authority to assign fund balance has been delegated by the District's Board of Directors to the Chief Financial Officer and Director/Controller.

Unassigned – All amounts not included in other spendable classifications.

In governmental funds when an expenditure is incurred that can be paid using either restricted or unrestricted resources, the District's policy is generally to apply the expenditure toward restricted fund balance and then to other, less-restricted classifications – committed, assigned, and then unassigned fund balances.

The District does not have a minimum fund balance policy. They rely on Iowa Statutes for those funds that, by statute, have requirements placed on ending unencumbered cash.

(2) **Budgets and Budgetary Accounting**

In accordance with the Code of Iowa, the District's Board of Education annually adopts a single district wide budget and approves the related appropriations following required public notice and hearing for all funds, except internal service and fiduciary funds. The budgets and related appropriations as well as the financial statements are prepared on the modified accrual basis or accrual basis of accounting. The budget may be amended during the year utilizing similar statutorily prescribed procedures.

Formal and legal budgetary control for the certified budget is based upon four major classes of disbursements known as functions, not by fund. These four functions are instruction, support services, non-instructional programs and other expenditures. The Code of Iowa also provides that District disbursements in the General Fund may not exceed the amount authorized by the school finance formula.

The Board of Education follows these procedures in establishing budgetary data reflected in the financial statements:

**Waukee Community School District
Notes to Financial Statements
Year Ended June 30, 2014**

(2) *Budgets and Budgetary Accounting (continued from previous page)*

1. In accordance with the Statutes of the State of Iowa, prior to March 15, the Board Secretary submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures or expenses and the means of financing them for the upcoming year, along with estimates for the current year and actual data for the preceding years. This budget is submitted in summary form, with an administrative control. The legal level of control for the detailed budget is at the functional area level.
2. Public hearings are required to be conducted to obtain taxpayer comment.
3. Prior to April 15, the budget is legally enacted through certification from the County Auditor.
4. Management is authorized to transfer budgeted amounts between departments within any functional area; however, any revisions that alter the total expenditures or expenses of any functional area must be approved by the Board of Education.
5. The Board of Education may amend the budget during the year by holding public hearings and certifying the amendment with the County Auditor. During the year ended June 30, 2014, the instruction functional area expenditures were amended for an increase of 5.80% to the originally approved budget.
6. Appropriations lapse at the end of each fiscal year.
7. The budget cannot be amended without the approval of the Board of Education.
8. Unexpended budgetary balance lapse at June 30 and are not available to finance expenditures or expenses of the following year.

As allowed by GASB Statement No. 41, *Budgetary Comparison Schedules - Perspective Differences*, the District presents budgetary comparison schedules as required supplementary information based on the program structure of four functional areas as required by state statute for its legally adopted budget. During the year ended June 30, 2014, expenditures in the support services and non-instructional programs functional areas exceeded the amount budgeted.

(3) Deposits and Pooled Investments

As of June 30, 2014, the carrying amount of the District's bank deposits and pooled investments totaled \$60,434,518 with actual bank balances of \$2,871,828 and investment balances of \$57,562,690. Of the bank balances, \$500,000 was covered by federal depository insurance and \$2,371,828 was collateralized by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The District is authorized by statute to invest public funds not currently needed for operating expenses in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured Iowa depository institutions approved by the Board; prime eligible bankers' acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; and certain joint investment trusts. However, the District's investment policy additionally limits investments in commercial paper to obligations at the time of purchase rated within the two highest ratings issued by nationally recognized statistical rating organizations with a maturity less than 270 days, with no more than 5 percent at the time of purchase placed in the second highest classification and no more than 10 percent of the investment portfolio in these investments. The District's investment policy additionally limits investments in prime bankers' acceptances that mature within 270 days and that are eligible for purchase by a federal reserve bank, with no more than 10 percent of the investment portfolio in these investments.

At June 30, 2014, the District had investments in the following:

Type	Amortized Cost/Fair Value
TELF	\$ 34,928,263
ISJIT	22,411,097
Money Market Mutual Fund	89,114
Negotiable Certificates of Deposit	134,216
	\$ 57,562,690

**Waukee Community School District
Notes to Financial Statements
Year Ended June 30, 2014**

(3) *Deposits and Pooled Investments (continued from previous page)*

The investments in TELF and ISJIT are valued at an amortized cost pursuant to Rule 2a-7 under the Investment Company Act of 1940. There is no material difference from fair value. In addition, the fair value of the District's financial position in the pool is the same as the value of the pool shares. The negotiable certificates of deposit and money market mutual fund are stated at fair value.

Interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy requires operating funds to be invested in investments that mature within 397 days or less. When investing other than operating funds, the investments must mature according to the needs of the funds. Operating funds of the District are funds which are reasonably expected to be used during a current budget year or within 15 months of receipt. The maturity of the District's position in an external investment pool is based on the average maturity of the pool's investments.

Credit risk: The investment in the Iowa Schools Joint Investment Trust was rated AAAM by Standard & Poor's Rating Service. The Iowa Schools Joint Investment Trust is sponsored by the Iowa Association of School Boards, governed by a representative board of trustees. The board of trustees serves as the regulatory oversight of the pool. The investments in The Education Liquidity Fund (TELF) pool are registered and not subject to rating. The District's investment policy does not formally address credit risk.

Custodial credit risk for deposits: In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Chapter 12C of the Code of Iowa requires all District funds be deposited into an approved depository and be either insured or collateralized.

At June 30, 2014, the District's deposits with financial institutions were entirely covered by federal depository insurance or insured through the state pooled collateral, state sinking funds and by the state's ability to assess for lost funds. At June 30, 2014, \$57,562,690 of the District's investments was uninsured or unregistered with securities held by the counterparty's trust department or agent in the District's name.

(4) **Transfers**

The detail of transfers for the year ended June 30, 2014 is as follows:

	Transfers In					
	Governmental			Business type		
	Debt Service	Debt Service	Capital Projects	Total Governmental Activities	Nonmajor Enterprise	Total
Transfer Out:						
Governmental Activities:						
General	\$ -	-	-	-	201,025	201,025
Capital Projects	7,097,936	-	-	7,097,936	-	7,097,936
Total	\$ 7,097,936	-	-	7,097,936	201,025	7,298,961

Transfers generally move revenues from the fund statutorily required to collect the resources to the fund statutorily required to expend the resources.

The General Fund transferred rental income to the Nonmajor Enterprise, Community Service Fund.

Capital Projects Fund transferred to the Debt Service Fund to pay revenue bonds and capital loan notes.

**Waukee Community School District
Notes to Financial Statements
Year Ended June 30, 2014**

(5) Capital Assets

Capital assets activity for the year ended June 30, 2014 is as follows:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 7,737,857	600,000	-	8,337,857
Construction in progress	15,712,074	18,346,867	14,265,200	19,793,741
Total capital assets not being depreciated	<u>23,449,931</u>	<u>18,946,867</u>	<u>14,265,200</u>	<u>28,131,598</u>
Capital assets being depreciated:				
Buildings	171,475,858	16,715,157	-	188,191,015
Improvements other than buildings	7,460,173	-	-	7,460,173
Furniture and equipment	4,407,685	338,928	-	4,746,613
Total capital assets being depreciated	<u>183,343,716</u>	<u>17,054,085</u>	<u>-</u>	<u>200,397,801</u>
Less accumulated depreciation for:				
Buildings	24,495,087	3,471,883	-	27,966,970
Improvements other than buildings	2,780,495	353,582	-	3,134,077
Furniture and equipment	2,342,173	455,131	-	2,797,304
Total accumulated depreciation	<u>29,617,755</u>	<u>4,280,596</u>	<u>-</u>	<u>33,898,351</u>
Total capital assets being depreciated, net	<u>153,725,961</u>	<u>12,773,489</u>	<u>-</u>	<u>166,499,450</u>
Governmental activities capital assets, net	<u>\$ 177,175,892</u>	<u>31,720,356</u>	<u>14,265,200</u>	<u>194,631,048</u>
Business type activities:				
Furniture and equipment	\$ 3,260,710	357,736	23,962	3,594,484
Less accumulated depreciation	1,310,687	281,250	21,087	1,570,850
Business-type activities capital assets, net	<u>\$ 1,950,023</u>	<u>76,486</u>	<u>2,875</u>	<u>2,023,634</u>
Depreciation expense was charged by the District as follows:				
Governmental activities:				
Instruction:				
Regular				\$ 312,008
Support services:				
Student services				140
Instructional staff services				7,838
Administration				17,309
Operation and maintenance of plant				95,949
Transportation				21,887
				<u>455,131</u>
Unallocated				3,825,465
Total depreciation expense - governmental activities				<u>\$ 4,280,596</u>
Business type activities:				
Food services				\$ 267,555
Community Daycare				13,695
				<u>\$ 281,250</u>

**Waukee Community School District
Notes to Financial Statements
Year Ended June 30, 2014**

(6) Long-Term Liabilities

Changes in long-term liabilities for the year ended June 30, 2014 are summarized as follows:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
Governmental activities:					
General obligation bonds	\$ 105,515,000	-	18,960,000	86,555,000	4,640,000
Premiums on general obligation bonds	1,287,942	-	271,832	1,016,110	254,680
Discounts on general obligation bonds	(294,570)	-	(30,845)	(263,725)	(31,814)
Issuance costs on general obligation bonds	(159,910)	-	(159,910)	-	-
Subtotal general obligation bonds	106,348,462	-	19,041,077	87,307,385	4,862,866
Revenue bonds	19,335,000	33,475,000	3,180,000	49,630,000	2,570,000
Premiums on revenue bonds	1,002,407	1,195,511	91,925	2,105,993	141,959
Discounts on revenue bonds	(251,498)	(371,872)	(34,453)	(588,917)	(39,460)
Subtotal revenue bonds	20,085,909	34,298,639	3,237,472	51,147,076	2,672,499
Capital loan notes	7,880,000	-	2,525,000	5,355,000	2,640,000
Early retirement	406,943	-	135,750	271,193	77,100
Compensated absences	270,178	332,887	270,178	332,887	332,887
Net OPEB liability	2,809,141	535,218	-	3,344,359	-
Subtotal, governmental activities	137,800,633	35,166,744	25,209,477	147,757,900	10,585,352
Business type activities:					
Compensated absences	11,442	20,854	11,442	20,854	20,854
Net OPEB liability	209,070	39,834	-	248,904	-
Subtotal, business type activities	220,512	60,688	11,442	269,758	20,854
Total	\$ 138,021,145	35,227,432	25,220,919	148,027,658	10,606,206

Capital Loan Notes Payable

The district issued \$4,825,000 on March 7, 2013 in refunding capital loan notes for the capital building and equipment purchases for the High School addition project, Maple Grove Elementary building project and Administration Building addition project. The district issued \$4,050,000 on February 28, 2012 in capital loan notes for the capital building and equipment purchases of the High School addition project. The capital loan notes will be repaid using property tax collected in the Capital Projects, Physical Plant and Equipment Levy Fund. Details of the District's June 30, 2014 capital loan note indebtedness are as follows:

Year Ending June 30,	March 7, 2013 Issue			February 28, 2012 Issue			Total		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest	Principal	Interest	Total
2015	4.00%	\$ 1,620,000	132,200	3.00%	\$ 1,020,000	61,500	\$ 2,640,000	193,700	2,833,700
2016	4.00%	1,685,000	67,400	3.00%	1,030,000	30,900	2,715,000	98,300	2,813,300
Total		\$ 3,305,000	199,600		\$ 2,050,000	92,400	\$ 5,355,000	292,000	5,647,000

Waukee Community School District
Notes to Financial Statements
Year Ended June 30, 2014

(6) *Long-Term Liabilities (continued from previous page)*

Revenue Bonds

The district issued \$18,900,000 on March 1, 2007 in revenue bonds for the capital facility construction of Maple Grove Elementary and South Middle School. During the year ended June 30, 2012, the district advance refunded \$5,900,000 of the March 1, 2007 revenue bond and issued \$22,335,000 on June 19, 2012 in revenue bonds. The revenue bond proceeds were used for the capital facility construction of Woodland Hills Elementary. The district issued \$16,785,000 on July 10, 2013 and \$16,690,000 on April 1, 2014 in revenue bonds for the capital facility construction of Timberline. The revenue bonds will be repaid using statewide sales, service and use tax collected in the Capital Projects, Statewide Sales, Services and Use Tax Fund. Details of the District's June 30, 2014 revenue bond indebtedness is as follows:

Year Ending June 30,	June 19, 2012 Refunding Bond Issue			July 10, 2013 Issue		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2015	3.00%	\$ 900,000	558,450	2.00%	\$ 945,000	503,275
2016	3.00%	910,000	531,450	2.00%	960,000	484,375
2017	3.00%	925,000	504,150	2.00%	975,000	465,175
2018	3.00%	945,000	476,400	2.00%	995,000	445,675
2019	3.00%	965,000	448,050	2.00%	1,015,000	425,775
2020-2024	3.00%	5,250,000	1,790,250	3.00-3.25%	5,485,000	1,707,275
2025-2029	3.00-4.00%	6,260,000	770,400	3.25-4.00%	6,410,000	755,450
Total		\$ 16,155,000	5,079,150		\$ 16,785,000	4,787,000

Year Ending June 30,	April 1, 2014 Issue			Total		
	Interest Rates	Principal	Interest	Principal	Interest	Total
2015	5.00%	\$ 725,000	806,116	\$ 2,570,000	1,867,841	4,437,841
2016	5.00%	875,000	654,706	2,745,000	1,670,531	4,415,531
2017	5.00%	915,000	610,957	2,815,000	1,580,282	4,395,282
2018	5.00%	975,000	565,206	2,915,000	1,487,281	4,402,281
2019	5.00%	995,000	516,456	2,975,000	1,390,281	4,365,281
2020-2024	3.00-5.00%	5,490,000	1,826,731	16,225,000	5,324,256	21,549,256
2025-2029	3.25-4.00%	6,715,000	739,581	19,385,000	2,265,431	21,650,431
Total		\$ 16,690,000	5,719,753	\$ 49,630,000	15,585,903	65,215,903

The district has pledged future statewide sales, services and use tax revenues to repay the \$49,630,000 bonds issued June 19, 2012, July 10, 2013 and April 1, 2014. The statewide sales, services and use tax revenue bonds were issued for the purpose of defraying a portion of the cost of school infrastructure. The bonds are payable solely from the proceeds of the statewide sales, services and use tax revenue received by the District. The bonds are not a general obligation of the District. However, the debt is subject to the constitutional debt limitation of the District. The total principal and interest remaining to be paid on the bonds is \$65,215,903. For the current year, principal of \$3,180,000 and interest of \$622,050 was paid on the bonds and total statewide sales and services tax revenues were \$7,269,180.

The resolution providing for the issuance of the statewide sales, services and use tax revenue bonds includes the following provisions:

Waukee Community School District
Notes to Financial Statements
Year Ended June 30, 2014

(6) *Long-Term Liabilities (continued from previous page)*
Revenue Bonds (continued from previous page)

- a) \$4,437,841 of the proceeds from the issuance of the revenue bonds shall be deposited to a reserve account to be used solely for the purpose of paying principal and interest on the bonds if insufficient money is available in the sinking account. The balance of the proceeds shall be deposited to the project account.
- b) All proceeds from the statewide sales, services and use tax shall be placed in a revenue account.
- c) Monies in the revenue account shall be disbursed to make deposits into a sinking account to pay the principal and interest requirements of the revenue bonds for the fiscal year.
- d) Any monies remaining in the revenue account after the required transfer to the sinking account may be transferred to the project account to be used for any lawful purpose.

The District complied with all of the revenue bond provisions during the year ended June 30, 2014.

General Obligation Bonds

During the year ended June 30, 2005 the district issued General Obligation Bonds of \$11,390,000 for capital facility construction. During the year ended June 30, 2007 the district issued refunding General Obligation Bonds of \$4,435,000 to refinance bonds at lower interest rates that were originally issued for capital facility construction. During the year ended June 30, 2008 the district issued refunding General Obligation Bonds of \$7,165,000 to refinance bonds at lower interest rates that were originally issued for capital facility construction. During the year ended June 30, 2008 the district issued General Obligation Bonds of \$10,000,000 for capital facility construction. During the year ended June 30, 2009 the district issued General Obligation Bonds of \$50,000,000 for capital facility construction. During the year ended June 30, 2009 the district issued refunding General Obligation Bonds of \$2,395,000 to refinance bonds at lower interest rates that were originally issued for capital facility construction. During the year ended June 30, 2010 the district issued refunding General Obligation Bonds of \$15,915,000 to refinance bonds at lower interest rates that were originally issued for capital facility construction. During the year ended June 30, 2011 the district issued General Obligation Bonds of \$10,000,000 for capital facility construction for the High School addition project. During the year ended June 30, 2012 the district issued refunding General Obligation Bonds of \$8,390,000 to refinance bonds at lower interest rates that were originally issued for capital facility construction. Details of the District's June 30, 2014 general obligation bonded indebtedness are as follows:

Year Ending June 30,	February 1, 2005 Issue			July 1, 2006 Refunding Bond Issue		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2015	3.50%	\$ 300,000	127,237	3.40%	\$ 200,000	128,775
2016	3.60%	300,000	116,738	4.25%	230,000	120,275
2017	3.70%	325,000	105,937	4.25%	855,000	110,500
2018	3.80%	325,000	93,913	4.25%	855,000	74,162
2019	3.90%	325,000	81,562	4.25%	890,000	37,825
2020-2024	3.95-4.15%	1,700,000	211,388		-	-
2025-2028		-	-		-	-
Total		\$ 3,275,000	736,775		\$ 3,030,000	471,537

Waukee Community School District
Notes to Financial Statements
Year Ended June 30, 2014

(6) *Long-Term Liabilities (continued from previous page)*
General Obligation Bonds (continued from previous page)

Year Ending June 30,	April 1, 2008 Refunding Bond Issue			April 1, 2008 Issue		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2015	3.50%	\$ 930,000	157,525	3.63%	\$ 315,000	227,896
2016	3.75%	945,000	124,975	3.50%	325,000	216,478
2017	3.50%	965,000	89,538	3.50%	340,000	205,102
2018	3.63%	970,000	55,762	3.50%	355,000	193,202
2019	4.00%	515,000	20,600	4.00%	375,000	180,778
2020-2024		-	-	3.65-4.00%	2,135,000	669,799
2025-2028		-	-	4.00%	2,080,000	212,600
Total		\$ 4,325,000	448,400		\$ 5,925,000	1,905,855

Year Ending June 30,	May 1, 2009 Issue			July 23, 2009 Refunding Bond Issue		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2015	3.50%	\$ 1,335,000	1,933,181	3.85%	\$ 150,000	64,335
2016	3.50%	1,385,000	1,886,456	3.85%	155,000	58,560
2017	4.00%	1,445,000	1,837,981	3.85%	200,000	52,592
2018	4.00%	1,500,000	1,780,181	3.85%	205,000	44,892
2019	4.00%	1,560,000	1,720,181	4.00%	400,000	37,000
2020-2024	4.00-4.375%	8,480,000	6,592,551	4.00%	525,000	21,000
2025-2028	4.625-5.00%	22,985,000	2,566,650		-	-
Total		\$ 38,690,000	18,317,181		\$ 1,635,000	278,379

Year Ending June 30,	April 1, 2010 Refunding Bond Issue			July 13, 2011 Issue		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2015	2.00%	\$ 490,000	425,950	1.10%	\$ 735,000	189,477
2016	3.00%	505,000	416,150	1.50%	745,000	181,392
2017	3.00%	685,000	401,000	1.75%	765,000	170,218
2018	3.00%	765,000	380,450	2.00%	785,000	156,830
2019	3.00%	1,090,000	357,500	2.20%	805,000	141,130
2020-2024	3.25-3.50%	9,450,000	783,825	2.35-3.10%	4,465,000	396,590
2025-2028		-	-		-	-
Total		\$ 12,985,000	2,764,875		\$ 8,300,000	1,235,637

Year Ending June 30,	June 5, 2012 Refunding Bond Issue			Total		
	Interest Rates	Principal	Interest	Principal	Interest	Total
2015	3.00%	\$ 185,000	251,700	\$ 4,640,000	3,506,076	8,146,076
2016	3.00%	190,000	246,150	4,780,000	3,367,174	8,147,174
2017	3.00%	190,000	240,450	5,770,000	3,213,318	8,983,318
2018	3.00%	195,000	234,750	5,955,000	3,014,142	8,969,142
2019	3.00%	200,000	228,900	6,160,000	2,805,476	8,965,476
2020-2024	3.00%	7,430,000	899,250	34,185,000	9,574,403	43,759,403
2025-2028		-	-	25,065,000	2,779,250	27,844,250
Total		\$ 8,390,000	2,101,200	\$ 86,555,000	\$ 28,259,839	114,814,839

(6) *Long-Term Liabilities (continued from previous page)*

Early Retirement

The District does not offer an early retirement plan each year. The District offered a voluntary early retirement plan to its employees in 2012-13. Eligible employees were at least 55 years old on June 30 and employees completed 10 years of continuous service to the District. Employees filed a letter of intent which was required to be approved by the Board of Education.

The early retirement incentive offered in 2012-13 for each eligible employee was equal to 50% of the current year's base salary. In addition, the District paid an amount equal to \$4,800 per year towards the cost of medical insurance until the employee becomes eligible for Medicare. The early retirement cash benefits were paid in July following the start of retirement into a tax shelter annuity in the State of Iowa plan of the employees' choice. Early retirement benefits are paid by the Special Revenue, Management Levy Fund.

At June 30, 2014, the District has obligations to 22 participants with a total liability of \$271,193. Actual early retirement expenditures for the year ended June 30, 2014 totaled \$135,750. The early retirement is recorded as a long-term liability of the governmental activities in the government-wide financial statements.

(7) **Advance Refunding**

On June 5, 2012, the District issued \$8,390,000 in general obligation bonds to advance refund \$8,120,000 of outstanding general obligation bonds dated June 1, 2004. The proceeds of the refunding issue have been placed in an irrevocable escrow account and have been invested in U.S. Government obligations which have been certified to be sufficient to pay all principal and interest on the refunded bonds. The new advance refunding bonds have been added to the appropriate financial statements and schedules. The district remains contingently liable in the remote possibility the account is insufficient to pay the refunding bonds. At June 30, 2014, \$0 of such bonds is outstanding. Principal of \$8,120,000 and interest of \$248,903 was paid on the bond during the fiscal year ended June 30, 2014.

During the year ended June 30, 2014, the District advance funded \$1,670,000 of general obligation bonds dated May 1, 2009. The pre-levy property taxes were placed in an irrevocable escrow account and have been invested in U.S. Government obligations which have been certified to be sufficient to pay all principal and interest on the refunded bonds. This advance refunding was undertaken to reduce total debt service payments over the next fifteen years by \$2,421,500 and resulted in an economic gain of \$856,482.

During the year ended June 30, 2013, the District advance funded \$2,505,000 of general obligation bonds dated May 1, 2009. The pre-levy property taxes were placed in an irrevocable escrow account and have been invested in U.S. Government obligations which have been certified to be sufficient to pay all principal and interest on the refunded bonds. This advance refunding was undertaken to reduce total debt service payments over the next fifteen years by \$3,632,250 and resulted in an economic gain of \$1,242,554.

(8) **Operating Leases**

The District is obligated under an equipment lease for two trucks and a SUV. These leases are accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations and therefore are not included as capital assets or long-term liabilities in the Government-wide financial statements. The agreement provides for monthly lease payments of \$482 for the truck, \$425 for the SUV, and \$440 for the truck. The total payments under the lease agreement for the year ended June 30, 2014 were \$14,853.

Waukee Community School District
Notes to Financial Statements
Year Ended June 30, 2014

(8) *Operating Leases (continued from previous page)*

The total annual lease payments under the lease agreements are as follows:

Year ending June 30,	Truck Lease	SUV Lease	Truck Lease	Total Leases
2015	\$ 5,788	5,100	5,287	10,387
2016	5,788	5,100	5,287	10,387
2017	482	4,250	5,287	9,537
2018	-	-	881	881
	<u>\$ 12,058</u>	<u>14,450</u>	<u>16,742</u>	<u>31,192</u>

(9) **Other Post-Employment Benefits (OPEB)**

Plan Description - The District operates a single-employer retiree benefit plan which provides medical and prescription drug benefits for retirees and their spouses. There are 756 active and 38 retired members in the plan. Participants must be age 55 or older at retirement and must have been employed full time by the District for a minimum of 15 consecutive years prior to the retirement year.

The medical/prescription drug coverage provides eligible retirees with health care coverage through one of two medical plans offered through Wellmark: Blue Access HMO and Alliance Select PPO. Retirees under age 65 pay the same premium for the medical/prescription drug benefit as active employees, which results in an implicit subsidy and an OPEB liability.

Funding Policy - The contribution requirements of plan members are established and may be amended by the District. The District currently finances the retiree benefit plan on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation - The District's annual OPEB cost is calculated based on the annual required contribution (ARC) of the District, an amount actuarially determined in accordance with GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years.

The following table shows the components of the District's annual OPEB cost for the years ended June 30, 2014, 2013 and 2012 the amount actually contributed to the plan and changes in the District's net OPEB obligation:

	2014	2013	2012
Annual required contribution	\$ 663,000	663,000	1,042,000
Interest on net OPEB obligation	135,820	111,000	82,215
Adjustment to annual required contribution	(115,463)	(94,000)	(85,574)
Annual OPEB cost	<u>683,357</u>	<u>680,000</u>	<u>1,038,641</u>
Contributions made	(108,305)	(134,430)	(393,000)
Increase in net OPEB obligation	<u>575,052</u>	<u>545,570</u>	<u>645,641</u>
Net OPEB obligation beginning of year	<u>3,018,211</u>	<u>2,472,641</u>	<u>1,827,000</u>
Net OPEB obligation end of year	<u>\$ 3,593,263</u>	<u>3,018,211</u>	<u>2,472,641</u>

For calculation of the net OPEB obligation, the actuary has used the valuation day as July 1, 2012. The end of year net OPEB obligation was calculated by the actuary as the cumulative difference between the actuarially determined funding requirements and the actual contributions for the year ended June 30, 2014.

For the year ended June 30, 2014, the District contributed \$108,305. Retiree and active members receiving benefits contributed \$27,445 through their required contribution based on which plan the employee belongs to and whether single or family coverage is elected.

**Waukee Community School District
Notes to Financial Statements
Year Ended June 30, 2014**

(9) *Other Post-Employment Benefits (OPEB) (continued from previous page)*

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation as of June 30, 2014 are summarized as follows:

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2012	\$ 1,038,641	27.86%	\$ 2,472,641
June 30, 2013	680,000	37.84%	3,018,211
June 30, 2014	683,357	19.77%	3,593,263

Funded Status and Funding Progress - As of July 1, 2012, the most recent actuarial valuation date for the period July 1, 2012 through June 30, 2014, the actuarial accrued liability was \$3,974,000, with no actuarial value of assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$3,974,000. The covered payroll (annual payroll of active employees covered by the plan) was approximately \$46,257,859 and the ratio of the UAAL to covered payroll was 8.6%. As of June 30, 2014, there were no trust fund assets.

Actuarial Methods and Assumptions - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as Required Supplementary Information in the section following the Notes to Financial Statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the plan as understood by the employer and the plan members and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

As of the July 1, 2012 actuarial valuation date, the projected unit credit actuarial cost method was used. The actuarial assumption includes a 4.5% discount rate based on the District's funding policy. The projected annual medical trend rate is 11%. The ultimate medical trend rate is 5%. The medical trend rate is reduced 0.5% each year until reaching the 5% ultimate trend rate. Both rates include a 0% inflation rate assumption.

Mortality rates are from the RP2000 Group Annuity Mortality Table, applied on a gender-specific basis. Annual retirement and termination probabilities were developed from the retirement probabilities from the IPERS Actuarial Report as of June 30, 2012 and applying the termination factors used in the IPERS Actuarial Report as of June 30, 2012.

The District will pay an amount not to exceed \$4,800 per year toward the cost of the single medical insurance premium. Premium amounts in excess of \$4,800 annually will be the responsibility of the retiree. This allowance is available each year until the employee becomes eligible for Medicare. Employees may not choose to receive the insurance allowance in cash in lieu of medical coverage.

**Waukee Community School District
Notes to Financial Statements
Year Ended June 30, 2014**

(9) *Other Post-Employment Benefits (OPEB) (continued from previous page)*

There are currently 38 grandfathered retirees receiving a subsidy for the District under different retirement provisions. Below is a description of the monthly subsidy levels by retirement year paid by the District.

Date Retired	HMO	PPO
Through 6/30/06	100% of current premium	100% of current premium
7/1/06 thru 6/30/07	\$ 270.46	\$ 338.71
7/1/07 thru 6/30/08	265.05	331.94
7/1/08 thru 6/30/09	261.96	339.45

Per capita health claim costs are developed by age adjusting the premiums shown above.
The age 60 per capita health claim costs for retirees and spouses are as follows:

Per Capita Cost	HMO	PPO
Premium	\$ 6,810.95	\$ 8,825.69

The salary increase rate was assumed to be 3.5% per year. The UAAL is being amortized as a level percentage of projected payroll expense on an open basis over 30 years.

(10) Pension and Retirement Benefits

The District contributes to the Iowa Public Employees Retirement System (IPERS) which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa, 50306-9117.

Plan members are required to contribute 5.95% of their annual covered salary and the District is required to contribute 8.93% of annual covered salary. Contribution requirements are established by state statute. The District's contribution to IPERS for the years ended June 30, 2014, 2013 and 2012 were \$4,018,494, \$3,573,286, and \$3,040,240, respectively, equal to the required contributions for each year.

(11) Risk Management

Waukee Community School District is exposed to various risks of loss related to torts; theft; damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. The District assumes liability for any deductibles and claims in excess of coverage limitations. During the year ended June 30, 2014, there were no significant reductions in coverage. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Partial Self-Funded Dental Insurance Plan

The District began a partial self-funded dental insurance plan during the year ended June 30, 2005. The plan is administered through a service agreement with Seabury and Smith. The District assumes liability for a maximum of the first \$1,000 of dental claims for each employee who participates in the plan. Employees participating in the plan are charged a premium each year to cover any estimated costs of the plan. The District reports the plan in the Internal Service, Self-Funded Dental Plan Fund. There was no claims liability at June 30, 2014.

**Waukee Community School District
Notes to Financial Statements
Year Ended June 30, 2014**

(11) *Risk Management (continued from previous page)*

A reconciliation of changes in the aggregate liabilities for claims for year ending is as follows:

	2014	2013
Unpaid claims at beginning of year	\$ -	-
Incurred claims	309,440	242,652
Payment	309,440	242,652
Unpaid claims at end of year	<u>\$ -</u>	<u>-</u>

Self-Funded Health Insurance Plan

The District began a partial self-funded health insurance plan during the year ended June 30, 2013. The District has established the internal service fund to account for premium and claim payments for a self-insured group health insurance plan for the District's employees to meet potential losses from medical claims. The District purchases commercial insurance to provide for aggregate stop-loss coverage for the excess of 125 percent of estimated claims for the plan year and specific stop-loss reinsurance coverage for the excess \$120,000 in insured claims for any one covered individual. Settled claims have not exceeded the commercial coverage in any of the past three calendar years.

Payments are made to the plan based on actuarial estimates of amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claims payable include all known claims and an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are estimated by considering the effects of inflation, recent claim settlement trends, including frequency and amount of pay-outs and other economic and social factors.

Changes in the balances of claims payable during the years ended June 30, 2014 and 2013 are as follows:

	2014	2013
Unpaid claims at beginning of year	\$ -	-
Incurred claims	3,727,926	-
Payment	3,168,737	-
Unpaid claims at end of year	<u>\$ 559,189</u>	<u>-</u>

Each participating fund makes payments to the self-insurance fund for amounts which are determined based on historical claims experience. Such payments are displayed on the financial statements as revenues and expenditures/expenses. There have been no significant reductions in insurance coverage from the past three years.

(12) Area Education Agency

The District is required by the Code of Iowa to budget for its share of special education support, media and educational services provided through the area education agency. The District's actual amount for this purpose totaled \$3,141,750 for the year ended June 30, 2014 and is recorded in the General Fund by making a memorandum adjusting entry to the financial statements.

(13) Construction Commitments

The District has active construction projects as of June 30, 2014. The projects include construction on the 8-9 Timberline building project, Eason Elementary HVAC project and Grant Ragan Elementary building project. At the end of the year, the District paid \$19,793,741 with \$25,135,565 of outstanding contract agreements to be paid upon completion of the capital projects.

(14) Disaggregation of Receivables and Payables

Receivables and payables are disaggregated on the face of the basic financial statements. All receivables are expected to be collected within the next year.

**Waukee Community School District
Notes to Financial Statements
Year Ended June 30, 2014**

(15) Due from Other Governments

Amount due from other governments by Fund as of June 30, 2014 are as follows:

	Governmental Activities				Grand Total
	General Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Governmental Funds	
Local sources:					
Tuition	\$ 396,736	-	-	-	396,736
Statewide sales, services and use tax	-	1,197,948	-	-	1,197,948
	<u>396,736</u>	<u>1,197,948</u>	<u>-</u>	<u>-</u>	<u>1,594,684</u>
State sources:					
Non-public transportation	237,360	-	-	-	237,360
Foster care special ed claim	39,973	-	-	-	39,973
Vocational aid	4,305	-	-	-	4,305
Military credit	389	62	150	15	616
	<u>282,027</u>	<u>62</u>	<u>150</u>	<u>15</u>	<u>282,254</u>
Federal sources:					
Title I	29,183	-	-	-	29,183
Title I SINA	7,602	-	-	-	7,602
Title VIA	8,296	-	-	-	8,296
AP Testing	661	-	-	-	661
Perkins	39,306	-	-	-	39,306
Aids Education	170	-	-	-	170
Medicaid	221,158	-	-	-	221,158
	<u>306,376</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>306,376</u>
Total due from other governments	\$ 985,139	1,198,010	150	15	2,183,314

(16) Deficit Net Position

The District had deficit unrestricted Net Position in the Nonmajor Enterprise, Community Services Fund of \$45,556.

(17) Restricted Categorical Funds

The District's restricted fund balance for categorical funds at June 30, 2014 is comprised of the following programs:

Program	Amount
Beginning teacher mentoring and induction program	\$ 7,222
Teacher salary supplement	78,251
Educator quality, model core curriculum	213,440
Educator quality, professional development	170,818
Teacher leadership grants	19,970
Successful progression for early readers	45,967
Total categorical funding	<u>\$ 535,668</u>

(18) Subsequent Event

The District issued \$6,330,000 in General Obligation Refunding Bonds to advance refund \$6,370,000 in General Obligation Bonds on July 24, 2014. The bond proceeds have been placed in an escrow and will crossover refund General Obligation Bonds Series 2008 and Series 2005. This refunding provided an economic gain of \$542,439 and reduced annual debt payments by \$529,351. The escrow payment and crossover will occur on June 1, 2015.

The District issued \$18,900,000 in General Obligation Bonds on August 13, 2014. The bond proceeds will be used to finance construction costs for Grant Ragan Elementary building project and the Brookview Elementary HVAC project. Grant Ragan Elementary is anticipated to be completed and open for the start of the 2016-17 school year. The Brookview Elementary HVAC project will be completed in the summer of 2015.

(19) Prospective Accounting Change

The Governmental Accounting Standards Board has issued Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB No 27*. This statement will be implemented for the fiscal year ending June 30, 2015. The revised requirements establish new financial reporting requirements for state and local governments which provide their employees with pension benefits, including additional note disclosures and required supplementary information. In addition, the Statement of Net Position is expected to include a significant liability for the government's proportionate share of the employee pension plan.

Required Supplementary Information

Waukee Community School District
Schedule or Funding Progress for the Retiree Health Plan
Required Supplementary Information
Year ended June 30, 2014

Year Ended June 30,	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2011	July 1, 2010	\$ -	5,253,000	5,253,000	0.0%	\$ 31,893,162	16.5%
2012	July 1, 2010	-	5,253,000	5,253,000	0.0%	37,224,617	14.1%
2013	July 1, 2012	-	3,974,000	3,974,000	0.0%	40,908,492	9.7%
2014	July 1, 2012	-	3,974,000	3,974,000	0.0%	46,257,859	8.6%

See Note 9 in the accompanying Notes to Financial Statements for the plan description, funding policy, annual OPEB cost, net OPEB obligation, funded status and funding progress.

See accompanying independent auditor's report.

Waukee Community School District
Budgetary Comparison Schedule of Revenues, Expenditures and Changes in Balances
Budget and Actual - All Governmental Funds and Proprietary Funds
Required Supplementary Information
Year ended June 30, 2014

	Governmental Funds Actual	Proprietary Funds Actual	Total Actual	Budgeted Amounts Original	Budgeted Amounts Final	Final to Actual Variance- Positive (Negative)
Revenues:						
Local sources	\$ 48,830,494	4,667,728	53,498,222	57,541,949	57,541,949	(4,043,727)
State sources	46,168,070	30,556	46,198,626	38,862,195	38,862,195	7,336,431
Federal sources	1,440,092	1,159,908	2,600,000	1,943,237	1,943,237	656,763
Total revenues	96,438,656	5,858,192	102,296,848	98,347,381	98,347,381	3,949,467
Expenditures:						
Instruction	50,254,296	-	50,254,296	47,920,000	50,700,000	445,704
Support services	21,134,884	193,063	21,327,947	20,961,147	20,961,147	(366,800)
Non-instructional programs	-	5,997,093	5,997,093	5,500,000	5,500,000	(497,093)
Other expenditures	54,325,984	-	54,325,984	64,150,111	64,150,111	9,824,127
Total expenditures	125,715,164	6,190,156	131,905,320	138,531,258	141,311,258	9,405,938
Excess (deficiency) of revenues under expenditures	(29,276,508)	(331,964)	(29,608,472)	(40,183,877)	(42,963,877)	13,355,405
Other financing sources, net	30,178,400	474,141	30,652,541	29,600,000	29,600,000	1,052,541
Excess (deficiency) of revenues and other financing sources over (under) expenditures	901,892	142,177	1,044,069	(10,583,877)	(13,363,877)	14,407,946
Balances beginning of year	43,511,795	4,453,138	47,964,933	24,990,057	24,990,057	22,974,876
Balances end of year	\$ 44,413,687	4,595,315	49,009,002	14,406,180	11,626,180	37,382,822

See accompanying independent auditor's report.

(1) Basis of Presentation

The District operates within the budget requirements for school districts as specified by state law and as prescribed by the Iowa Department of Management. Budgets are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

For the fiscal year beginning July 1, a proposed budget is adopted by the Board and filed with the County Auditor no later than April 15. The budget is certified by the County Auditor to the Department of Management.

Once adopted, the budget can be amended by the Board. The amendment must be published and a public hearing conducted prior to the amendment. Any amendments must be certified to the County Auditor no later than May 31. The proposed expenditure budget is advertised in the local newspaper, together with a notice of public hearing. During the year ended June 30, 2014, the District adopted a budget amendment increasing budgeted expenditures by \$2,780,000.

The legal level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is the functional area for a budgeted governmental and enterprise funds in total, rather than by individual fund type. Formal and legal budgetary control is based on four major classes of expenditures known as functional areas. These four functional areas are instruction, support services, non-instructional programs and other expenditures. During the year ended June 30, 2014, the District over-expended the support services functional area by \$ 366,800 and the non-instructional programs functional area by \$497,093. The Code of Iowa also provides that District expenditures in the General Fund may not exceed the amount authorized by the school finance formula. Authorized expenditures cannot exceed the lesser of the certified budget plus any allowable amendments, or the authorized budget, which is the sum of the District's cost for that year plus the actual miscellaneous income received for that year plus the actual unspent balance from the preceding year. Appropriations, as adopted and amended, lapse at the end of the fiscal year.

The District is required by the Code of Iowa to budget for its share of media, education services and special education support provided through the local area education agency. The District's actual amount for this purpose totaled \$3,141,750 for the year ended June 30, 2014.

Supplementary Information

**Waukee Community School District
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2014**

	Special Revenue		
	Management	Student Activity	Total
Assets			
Current assets:			
Cash and pooled investments	\$ 4,504,146	571,450	5,075,596
Receivables:			
Property tax:			
Delinquent	1,106	-	1,106
Accounts	-	1,341	1,341
Due from other governments	15	-	15
Total assets	\$ 4,505,267	572,791	5,078,058
Liabilities, Deferred Inflows of Resources and Fund Balances			
Current liabilities:			
Accounts payable	\$ 863	63,074	63,937
Salaries and benefits payable	-	5,136	5,136
Deposits payable	6,572	-	6,572
Total liabilities	7,435	68,210	75,645
Fund balances:			
Restricted for:			
Management levy purposes	4,497,832	-	4,497,832
Student activities	-	504,581	504,581
Total fund balances	4,497,832	504,581	5,002,413
Total liabilities, deferred inflows of resources and fund balances	\$ 4,505,267	572,791	5,078,058

See accompanying independent auditor's report.

Schedule 2

Waukee Community School District
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
Year ended June 30, 2014

	Special Revenue		
	Management	Student Activity	Total
Revenues:			
Local sources:			
Local tax	\$ 990,140	-	990,140
Other	80,283	1,138,587	1,218,870
State sources	168	-	168
Total revenues	<u>1,070,591</u>	<u>1,138,587</u>	<u>2,209,178</u>
Expenditures:			
Current:			
Instruction:			
Regular	379,461	-	379,461
Other	-	1,118,162	1,118,162
Support services:			
Administration	1,240	-	1,240
Operation and maintenance of plant	314,646	-	314,646
Total expenditures	<u>695,347</u>	<u>1,118,162</u>	<u>1,813,509</u>
Excess of revenues over expenditures	375,244	20,425	395,669
Fund balances beginning of year	<u>4,122,588</u>	<u>484,156</u>	<u>4,606,744</u>
Fund balances end of year	<u>\$ 4,497,832</u>	<u>504,581</u>	<u>5,002,413</u>

See accompanying independent auditor's report.

**Waukee Community School District
Combining Balance Sheet
Capital Project Accounts
June 30, 2014**

	Capital Projects			
	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Other Capital Projects	Total
Assets				
Cash and pooled investments	\$ 32,310,596	576,811	4,867	32,892,274
Receivables:				
Property tax:				
Delinquent	-	4,232	-	4,232
Succeeding year	-	5,290,551	-	5,290,551
Due from other governments	1,197,948	62	-	1,198,010
Total assets	\$ 33,508,544	5,871,656	4,867	39,385,067
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	\$ 1,891,420	81,922	-	1,973,342
Contracts payable	612,159	-	-	612,159
Total liabilities	2,503,579	81,922	-	2,585,501
Deferred inflows of resources:				
Unavailable revenues:				
Succeeding year property tax	-	5,290,551	-	5,290,551
Total deferred inflows of resources	-	5,290,551	-	5,290,551
Fund balances:				
Restricted for:				
Debt service	4,437,841	-	-	4,437,841
School infrastructure	26,567,124	-	4,867	26,571,991
Physical plant and equipment	-	499,183	-	499,183
Total fund balances	31,004,965	499,183	4,867	31,509,015
Total liabilities, deferred inflows of resources and fund balances	\$ 33,508,544	5,871,656	4,867	39,385,067

See accompanying independent auditor's report.

Schedule 4

Waukee Community School District
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Capital Project Accounts
Year ended June 30, 2014

	Capital Projects			Total
	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Other Capital Projects	
Revenues:				
Local sources:				
Local tax	\$ -	4,920,317	-	4,920,317
Other	103,078	4,148	-	107,226
State sources	7,269,180	752	-	7,269,932
Total revenues	<u>7,372,258</u>	<u>4,925,217</u>	<u>-</u>	<u>12,297,475</u>
Expenditures:				
Current:				
Support services:				
Administration	43,981	516	3,125	47,622
Other expenditures:				
Facilities acquisition	22,257,097	2,917,360	-	25,174,457
Debt issuance costs	86,368	-	-	86,368
Total expenditures	<u>22,387,446</u>	<u>2,917,876</u>	<u>3,125</u>	<u>25,308,447</u>
Excess (Deficiency) of revenues over (under) expenditures	(15,015,188)	2,007,341	(3,125)	(13,010,972)
Other financing sources (uses):				
Issuance of revenue bonds	33,475,000	-	-	33,475,000
Premium on the issuance of debt	1,195,511	-	-	1,195,511
Discount on the issuance of debt	(371,872)	-	-	(371,872)
Transfers out	(4,252,303)	(2,845,633)	-	(7,097,936)
Total other financing uses	<u>30,046,336</u>	<u>(2,845,633)</u>	<u>-</u>	<u>27,200,703</u>
Excess (Deficiency) of revenues and other financing source over (under) expenditures and other financing uses	15,031,148	(838,292)	(3,125)	14,189,731
Fund balances beginning of year	15,973,817	1,337,475	7,992	17,319,284
Fund balances end of year	<u>\$ 31,004,965</u>	<u>499,183</u>	<u>4,867</u>	<u>31,509,015</u>

See accompanying independent auditor's report.

Waukee Community School District
Combining Schedule of Net Position
Proprietary Funds
June 30, 2014

	Business Type Activities				Governmental Activities			
	Nonmajor Enterprise Funds				Internal Service Funds			
	School Nutrition	Community Daycare	Community Education	Total	Flexible Benefits	Self-funded Dental Plan	Self-funded Health Plan	Total
Assets								
Current assets:								
Cash and pooled investments	\$ 1,547,795	1,440,661	-	2,988,456	68,225	408,092	1,573,761	2,050,078
Receivables:								
Accounts	32	15,097	378	15,507	-	-	-	-
Due from other governments	500	-	-	500	-	-	-	-
Inventories	49,935	14,867	-	64,802	-	-	-	-
Total current assets	1,598,262	1,470,625	378	3,069,265	68,225	408,092	1,573,761	2,050,078
Noncurrent assets:								
Capital assets:								
Equipment	3,500,587	93,897	-	3,594,484	-	-	-	-
Accumulated depreciation	(1,529,721)	(41,129)	-	(1,570,850)	-	-	-	-
Total noncurrent assets	1,970,866	52,768	-	2,023,634	-	-	-	-
Total assets	3,569,128	1,523,393	378	5,092,899	68,225	408,092	1,573,761	2,050,078
Liabilities								
Current liabilities:								
Excess of outstanding warrants over bank balance	-	-	25,103	25,103	-	-	-	-
Accounts payable	28,350	31,938	6,296	66,584	-	-	-	-
Salaries and benefits payable	1,101	50,049	2,029	53,179	-	-	-	-
Compensated absences	7,389	11,103	2,362	20,854	-	-	-	-
Incurred but not reported claims	-	-	-	-	-	-	559,189	559,189
Advances from prepaid lunches	81,867	-	-	81,867	-	-	-	-
Advances from prepaid tuition	-	-	1,093	1,093	-	-	-	-
Total current liabilities	118,707	93,090	36,883	248,680	-	-	559,189	559,189
Noncurrent liabilities:								
Net OPEB liability	199,123	40,730	9,051	248,904	-	-	-	-
Total noncurrent liabilities	199,123	40,730	9,051	248,904	-	-	-	-
Total liabilities	317,830	133,820	45,934	497,584	-	-	559,189	559,189
Net Position								
Invested in capital assets	1,970,866	52,768	-	2,023,634	-	-	-	-
Unrestricted	1,280,432	1,336,805	(45,556)	2,571,681	68,225	408,092	1,014,572	1,490,889
Total net position	\$ 3,251,298	1,389,573	(45,556)	4,595,315	68,225	408,092	1,014,572	1,490,889

See accompanying independent auditor's report.

Waukee Community School District
Combining Schedule of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
Year ended June 30, 2014

	Business Type Activities				Governmental Activities			
	Nonmajor Enterprise Funds				Internal Service Funds			
	School Nutrition	Community Daycare	Community Education	Total	Flexible Benefits	Self-funded Dental Plan	Self-funded Health Plan	Total
Operating revenue:								
Local sources:								
Charges for services	\$ 2,982,903	1,564,904	116,701	4,664,508	603,018	389,553	5,909,193	6,901,764
Operating expenses:								
Support services:								
Administration:								
Salaries	2,690	-	-	2,690	-	-	-	-
Benefits	309	-	-	309	588,477	257,856	4,898,406	5,744,739
Purchased services	7,933	38,086	14,116	60,135	200	51,584	-	51,784
Supplies	11,265	-	-	11,265	-	-	376	376
	22,197	38,086	14,116	74,399	588,677	309,440	4,898,782	5,796,899
Operation and maintenance of plant:								
Purchased services	70,397	-	-	70,397	-	-	-	-
Supplies	17,389	-	-	17,389	-	-	-	-
	87,786	-	-	87,786	-	-	-	-
Transportation:								
Purchased services	-	30,878	-	30,878	-	-	-	-
Total support services	109,983	68,964	14,116	193,063	588,677	309,440	4,898,782	5,796,899
Non-instructional programs:								
Food service operations:								
Salaries	1,333,454	-	-	1,333,454	-	-	-	-
Benefits	532,027	-	-	532,027	-	-	-	-
Purchased services	109,411	-	-	109,411	-	-	-	-
Supplies	2,058,357	-	-	2,058,357	-	-	-	-
Other	64,585	-	-	64,585	-	-	-	-
Depreciation	267,555	-	-	267,555	-	-	-	-
	4,365,389	-	-	4,365,389	-	-	-	-
Other enterprise operations:								
Salaries	-	900,152	234,757	1,134,909	-	-	-	-
Benefits	-	211,560	46,074	257,634	-	-	-	-
Purchased services	-	5,359	3,344	8,703	-	-	-	-
Supplies	-	171,482	45,281	216,763	-	-	-	-
Depreciation	-	13,695	-	13,695	-	-	-	-
	-	1,302,248	329,456	1,631,704	-	-	-	-
Total non-instructional programs	4,365,389	1,302,248	329,456	5,997,093	-	-	-	-
Total operating expenses	4,475,372	1,371,212	343,572	6,190,156	588,677	309,440	4,898,782	5,796,899
Operating income (loss)	(1,492,469)	193,692	(226,871)	(1,525,648)	14,341	80,113	1,010,411	1,104,865

Waukeee Community School District
Combining Schedule of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
Year ended June 30, 2014

	Business Type Activities				Governmental Activities			
	Nonmajor Enterprise Funds				Internal Service Funds			
	School Nutrition	Community Daycare	Community Education	Total	Flexible Benefits	Self-funded Dental Plan	Self-funded Health Plan	Total
<i>Continued from previous page</i>								
Non-operating revenues (expenses):								
Interest on investments	92	3,128	-	3,220	-	1,209	4,161	5,370
State sources	30,556	-	-	30,556	-	-	-	-
Federal sources	1,159,908	-	-	1,159,908	-	-	-	-
Loss on disposal of capital assets	(2,875)	-	-	(2,875)	-	-	-	-
Total non-operating revenues	1,187,681	3,128	-	1,190,809	-	1,209	4,161	5,370
Income (loss) before transfers and contributions	(304,788)	196,820	(226,871)	(334,839)	14,341	81,322	1,014,572	1,110,235
Contributions and transfers:								
Capital contributions	275,991	-	-	275,991	-	-	-	-
Transfers in	-	-	201,025	201,025	-	-	-	-
Total contributions and transfers	275,991	-	201,025	477,016	-	-	-	-
Changes in net position	(28,797)	196,820	(25,846)	142,177	14,341	81,322	1,014,572	1,110,235
Net position beginning of year	3,280,095	1,192,753	(19,710)	4,453,138	53,884	326,770	-	380,654
Net position end of year	\$ 3,251,298	1,389,573	(45,556)	4,595,315	68,225	408,092	1,014,572	1,490,889

See accompanying independent auditor's report.

Waukee Community School District
Combining Schedule of Cash Flows
Proprietary Funds
Year ended June 30, 2014

	Business Type Activities				Governmental Activities			
	Nonmajor Enterprise Funds				Internal Service Funds			
	School Nutrition	Community Daycare	Community Education	Total	Flexible Benefits	Self-funded Dental Plan	Self-funded Health Plan	Total
Cash flows from operating activities:								
Cash received from sale of lunches and breakfasts	\$ 2,936,234	-	-	2,936,234	-	-	-	-
Cash received from miscellaneous operating activities	58,641	1,578,036	123,195	1,759,872	603,018	389,553	5,909,193	6,901,764
Cash payments to employees for services	(1,834,292)	(1,094,317)	(294,692)	(3,223,301)	(588,677)	(309,440)	(4,339,593)	(5,237,710)
Cash payments to suppliers for goods or services	(2,106,514)	(234,580)	(61,908)	(2,403,002)	-	-	-	-
Net cash provided (used) by operating activities	(945,931)	249,139	(233,405)	(930,197)	14,341	80,113	1,569,600	1,664,054
Cash flows from non-capital financing activities:								
Transfers in	-	-	201,025	201,025	-	-	-	-
Loss on disposal of capital assets	(2,875)	-	-	(2,875)	-	-	-	-
State grants received	30,556	-	-	30,556	-	-	-	-
Federal grants received	931,846	-	-	931,846	-	-	-	-
Net cash provided by non-capital financing activities	959,527	-	201,025	1,160,552	-	-	-	-
Cash flows from capital and related financing activities:								
Acquisition of capital assets	(46,344)	(32,526)	-	(78,870)	-	-	-	-
Net cash used by capital and related financing activities	(46,344)	(32,526)	-	(78,870)	-	-	-	-
Cash flows from investing activities:								
Interest on investments	92	3,128	-	3,220	-	1,209	4,161	5,370
Net increase (decrease) in cash and cash equivalents	(32,656)	219,741	(32,380)	154,705	14,341	81,322	1,573,761	1,669,424
Cash and cash equivalents at beginning of year	1,580,451	1,220,920	7,277	2,808,648	53,884	326,770	-	380,654
Cash and cash equivalents at end of year	\$ 1,547,795	1,440,661	(25,103)	2,963,353	68,225	408,092	1,573,761	2,050,078
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:								
Operating income (loss)	\$ (1,492,469)	193,692	(226,871)	(1,525,648)	14,341	80,113	1,010,411	1,104,865
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:								
Commodities used	227,562	-	-	227,562	-	-	-	-
Depreciation	267,555	13,695	-	281,250	-	-	-	-
Decrease in accounts receivable	5,029	13,132	6,809	24,970	-	-	-	-
Increase in inventories	(16,561)	(7,322)	-	(23,883)	-	-	-	-
Increase in accounts payable	21,822	18,547	833	41,202	-	-	-	-
Increase (decrease) in salaries and benefits payable	(794)	4,702	(15,432)	(11,524)	-	-	-	-
Increase in incurred but not reported claims	-	-	-	-	-	-	559,189	559,189
Increase (decrease) in unearned revenue	6,943	-	(315)	6,628	-	-	-	-
Increase in compensated absences payable	3,115	6,174	123	9,412	-	-	-	-
Increase in other post employment benefits payable	31,867	6,519	1,448	39,834	-	-	-	-
Net cash provided (used) by operating activities	\$ (945,931)	249,139	(233,405)	(930,197)	14,341	80,113	1,569,600	1,664,054
Reconciliation of cash and cash equivalents at year end to specific assets included on Combined Schedule of Net Position:								
Current assets:								
Cash and investments	\$ 1,547,795	1,440,661	(25,103)	2,963,353	68,225	408,092	1,573,761	2,050,078
Cash and cash equivalents at year end	\$ 1,547,795	1,440,661	(25,103)	2,963,353	68,225	408,092	1,573,761	2,050,078
Non-cash investing, capital and financing activities:								
Noncapital financing activities, commodities received from the US Department of Agriculture	\$ 227,562	-	-	227,562	-	-	-	-
Capital and related financing activities, capital contributions	275,991	-	-	275,991	-	-	-	-

See notes to financial statements.

Waukee Community School District
Schedule of Changes in Special Revenue Fund, Student Activity Accounts
Year ended June 30, 2014

Account	Balance beginning of Year	Transfers	Revenues	Expenditures	Balance End of Year
High School:					
Art Club	\$ 4	-	80	-	84
Athletics	36,419	10,232	387,149	424,756	9,044
Baseball	17,583	-	15,651	14,758	18,476
Best Buddies	217	-	845	870	192
Boys Basketball	23,050	-	56,179	57,970	21,259
Boys Bowling	148	-	840	750	238
Boys Cross Country	3,464	-	13,438	6,230	10,672
Boys Golf	1,170	-	3,348	3,667	851
Boys Soccer	5,626	-	11,952	11,657	5,921
Boys Swimming	1,207	-	11,715	8,037	4,885
Boys Tennis	-	(118)	12,359	6,229	6,012
Boys Track	-	(114)	11,099	5,846	5,139
Cheerleaders	11,235	-	56,398	53,239	14,394
Class of 2012	4,764	(3,322)	-	1,442	-
Class of 2013	13,697	(13,114)	-	583	-
Class of 2014	20,564	-	9,000	14,658	14,906
Class of 2015	10,249	-	7,860	1,999	16,110
Class of 2016	5,790	-	6,995	229	12,556
Class of 2017	-	-	6,720	192	6,528
Dance/Drill Team	8,239	-	75,046	69,134	14,151
Dance Troupe	911	-	646	-	1,557
Drama	2,735	-	2,544	1,982	3,297
Drumline	73	-	-	-	73
Electrathon	895	-	-	-	895
FCCLA Club	2,613	1,163	8,877	12,653	-
Flag Team/Color Guard	658	-	-	-	658
Football	14,018	(10,000)	57,205	50,998	10,225
Girls Basketball	9,042	-	22,284	16,830	14,496
Girls Bowling	717	-	95	-	812
Girls Cross Country	4,936	-	20,924	10,199	15,661
Girls Golf	588	-	1,306	1,369	525
Girls Soccer	3,411	-	2,622	4,225	1,808
Girls Swimming	718	-	4,804	2,210	3,312
Girls Tennis	1,564	-	839	1,031	1,372
Girls Track	3,047	-	10,596	3,968	9,675
Hyperstream	-	-	100	-	100
Instrumental Music	576	-	24,608	24,608	576
International Club	1,175	-	468	363	1,280
Literacy magazine	279	-	-	185	94
Math Warriors	406	-	350	361	395
Musical	146	-	26,543	15,452	11,237
National Honor Society	504	-	8,056	3,344	5,216
Newspaper	444	-	2,588	2,708	324
Pal PE	-	-	92	72	20
Prom	3,883	-	15,253	11,067	8,069
ProStart	6,231	-	6,270	4,659	7,842
Robotics	1,249	-	-	1,164	85
SELF Room	877	-	-	-	877
Softball	25,239	-	4,641	1,894	27,986
Sparkle Cheer	-	-	3,044	2,143	901
Speech	8,939	-	170	3,638	5,471
Student Council	13,632	-	10,162	7,848	15,946
Student Management	5,978	15,273	5,752	18,119	8,884
Track Club	-	-	12,210	9,167	3,043
Vocal Music	2,581	-	13,411	12,179	3,813
Volleyball	6,178	-	22,524	20,906	7,796
Weight Room	203	-	684	628	259
Wrestling	5,200	-	27,475	26,137	6,538
Yearbook	3,702	-	52,749	54,611	1,840

Waukee Community School District
Schedule of Changes in Special Revenue Fund, Student Activity Accounts
Year ended June 30, 2014

Account	Balance beginning of Year	Transfers	Revenues	Expenditures	Balance End of Year
<u>Prairieview:</u>					
Art Club	81	-	-	-	81
Athletics	10,941	-	18,416	17,784	11,573
Drama	3,529	-	151	513	3,167
Student Council	23	-	790	75	738
Student Management	12,688	-	1,666	8,562	5,792
TSA Club	-	-	711	-	711
Yearbook	4,397	-	7,250	9,624	2,023
<u>Middle School:</u>					
6th Grade	130	-	-	-	130
7th Grade	135	-	-	-	135
8th Grade	204	-	-	-	204
Athletic Resale	1,931	-	-	-	1,931
Concessions	1,612	-	-	-	1,612
Drama/Speech/Musical	14,208	-	4,904	4,019	15,093
Student Management	18,220	-	6,514	7,011	17,723
Instrumental Music	2,379	-	166	124	2,421
MS SELF	1,146	-	-	-	1,146
Swing Choir	5,946	-	-	-	5,946
Vocal Music	298	-	104	-	402
Yearbook	28,842	-	10,070	11,519	27,393
<u>South Middle School:</u>					
Drama/Speech/Musical	3,919	-	5,605	2,887	6,637
Student Council	2,241	-	2,666	909	3,998
Student Management	363	-	-	169	194
Vocal Music	-	-	27	-	27
Yearbook	12,557	-	9,960	7,798	14,719
<u>Elementary:</u>					
BV Instrumental Music	89	-	304	11	382
BV Student Council	2,721	-	-	131	2,590
BV Student Management	11,010	-	3,210	6,857	7,363
Eason Fine Arts	4,913	-	-	-	4,913
Eason Instrumental Music	300	-	170	16	454
Eason Student Management	5,017	-	1,648	2,252	4,413
Eason Playground	2,823	-	-	-	2,823
Eason Student Council	1,909	-	-	-	1,909
MG Instrumental Music	-	-	982	289	693
MG Student Council	252	-	-	-	252
SE Instrumental Music	-	-	586	586	-
SE Student Council	273	-	4,322	4,322	273
SE Student Management	543	-	-	17	526
WE Fine Arts	165	-	-	-	165
WE Instrumental Music	-	-	330	317	13
WE Student Management	26,121	-	510	23,137	3,494
WE Playground	2,710	-	-	-	2,710
WE Student Council	2,004	-	-	-	2,004
WD Student Management	-	-	260	257	3
WH Instrumental Music	132	-	402	12	522
WH Student Council	375	-	-	-	375
WH Student Management	235	-	-	-	235
WH Playground	-	-	297	-	297
Total	\$ 484,156	-	1,138,587	1,118,162	504,581

Waukee Community School District
Schedule of Revenues by Source and Expenditures by Function
All Governmental Funds
For the Last Ten Years

	Modified Accrual Basis									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Revenues:										
Local sources:										
Local tax	\$ 44,483,899	49,429,235	46,100,059	44,584,830	40,946,587	38,492,214	32,425,053	26,907,371	21,898,342	18,724,901
Tuition	1,752,066	1,617,977	1,447,535	1,262,380	1,053,978	1,134,189	1,175,066	1,209,866	1,267,893	1,176,813
Other	2,594,529	2,240,380	2,211,111	2,165,795	3,375,273	2,185,922	2,432,638	2,604,416	1,935,241	1,383,507
State sources	46,168,070	33,947,675	31,651,321	26,672,882	21,558,200	23,361,214	21,804,292	18,700,021	16,110,389	13,424,393
Federal sources	1,440,092	1,370,769	1,160,750	2,788,705	4,132,391	1,021,619	479,500	485,203	437,201	407,377
Total	\$ 96,438,656	88,606,036	82,570,776	77,474,592	71,066,429	66,195,158	58,316,549	49,906,877	41,649,066	35,116,991
Expenditures:										
Instruction:										
Regular	\$ 36,743,084	33,376,569	30,670,571	27,556,857	27,511,695	23,090,642	20,040,299	16,944,785	14,497,759	12,045,774
Special	7,602,625	6,898,702	6,245,725	5,685,705	5,640,679	5,611,287	4,926,113	4,233,291	3,387,132	3,061,467
Other	5,908,587	5,418,825	4,822,790	4,629,290	3,624,135	2,932,365	2,389,598	2,147,056	2,096,796	1,896,088
Support services:										
Student	2,515,078	2,267,965	2,218,912	2,111,087	2,033,862	1,981,122	2,518,458	1,413,137	1,289,559	1,274,069
Instructional staff	3,753,678	3,019,995	2,903,099	2,596,051	2,604,731	2,372,731	2,450,310	1,631,053	1,393,248	1,475,734
Administration	5,494,316	4,781,680	4,874,352	4,521,528	3,668,870	4,145,264	3,639,159	2,909,779	2,711,319	2,270,519
Operation and maintenance of plant	6,205,021	5,483,373	4,943,591	4,849,053	4,188,307	3,778,765	3,829,770	3,023,278	2,764,387	2,114,247
Transportation	3,166,791	3,145,487	2,952,847	2,582,297	2,344,507	2,084,532	1,981,897	1,853,584	1,590,878	1,097,493
Non-instructional programs	-	-	-	-	-	-	29,955	265	-	-
Other expenditures:										
Capital outlay:										
Facilities acquisition	25,174,457	20,795,719	16,338,521	10,831,068	44,776,662	12,287,811	13,080,340	21,356,585	5,593,186	11,528,812
Debt Service:										
Principal	20,490,000	17,915,000	14,585,000	8,715,000	26,685,000	8,845,000	13,215,000	3,100,000	2,230,000	8,335,000
Interest and other charges	5,519,777	5,350,619	4,881,486	4,970,492	5,777,565	3,593,137	3,106,109	3,170,874	2,591,550	2,477,557
AEA flowthrough	3,141,750	2,804,317	2,573,444	2,496,394	2,306,290	1,922,343	1,696,590	1,434,517	1,198,063	995,297
Total	\$ 125,715,164	111,258,251	98,010,338	81,544,822	131,162,303	72,644,999	72,903,598	63,218,204	41,343,877	48,572,057

See accompanying independent auditor's report.

**Waukee Community School District
Statistical Section
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The statistical section of the Waukee Community School District's comprehensive annual financial report presents detailed information as a context for understanding what the information presented in the financial statements, note disclosures and required supplementary information say about the District's overall financial health.

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Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	74-82
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue sources, the property tax (or sales tax).	83-92
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current level of outstanding debt and the District's ability to issue additional debt in the future.	93-100
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	104-107
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	101-103, 108-110

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

WAUKEE COMMUNITY SCHOOL DISTRICT

NET POSITION BY COMPONENT

Last Ten Fiscal Years
(Unaudited)

Year ended June 30,	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Governmental activities:										
Net investment in capital assets	\$ 50,821,587	42,861,521	18,653,123	39,004,284	33,034,650	29,171,718	18,331,620	14,051,616	10,019,928	8,282,400
Restricted	37,769,176	34,262,277	46,889,652	17,089,247	11,605,994	4,452,801	9,922,010	7,820,732	6,441,728	2,627,733
Unrestricted	3,587,555	5,722,207	8,367,878	7,086,034	7,493,216	15,528,737	8,112,790	4,815,232	1,594,739	683,244
Total governmental activities net position	\$ 92,178,318	82,846,005	73,910,653	63,179,565	52,133,860	49,153,256	36,366,420	26,687,580	18,056,395	11,593,377
Business type activities:										
Net investment in capital assets	\$ 2,023,634	1,950,023	1,608,365	1,713,938	837,491	961,494	1,073,417	512,885	578,088	548,174
Unrestricted	2,571,681	2,503,115	2,110,396	1,924,278	1,868,689	1,537,359	1,151,127	948,838	643,482	459,532
Total business type activities net position	\$ 4,595,315	4,453,138	3,718,761	3,638,216	2,706,180	2,498,853	2,224,544	1,461,723	1,221,570	1,007,706
Total										
Net investment in capital assets	\$ 52,845,221	44,811,544	20,261,488	40,718,222	33,872,141	30,133,212	19,405,037	14,564,501	10,598,016	8,830,574
Restricted	37,769,176	34,262,277	46,889,652	17,089,247	11,605,994	4,452,801	9,922,010	7,820,732	6,441,728	2,627,733
Unrestricted	6,159,236	8,225,322	10,478,274	9,010,312	9,361,905	17,066,096	9,263,917	5,764,070	2,238,221	1,142,776
Total net position	\$ 96,773,633	87,299,143	77,629,414	66,817,781	54,840,040	51,652,109	38,590,964	28,149,303	19,277,965	12,601,083

Source: District Records

WAUKEE COMMUNITY SCHOOL DISTRICT

CHANGES IN NET POSITION

Last Ten Fiscal Years
(Unaudited)

Year ended June 30,	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Expenses										
Governmental Activities:										
Instruction	\$ 50,142,591	46,336,463	42,519,470	40,827,340	39,751,992	33,853,764	29,165,013	23,541,001	19,961,274	17,459,390
Support services	24,216,376	21,048,302	18,361,448	16,998,032	15,156,524	13,692,553	13,714,587	10,863,315	9,628,971	8,412,897
Non-instructional services	-	-	1,096	102,369	28,486	-	21,238	-	-	-
Other expenditures	12,270,360	11,684,025	10,760,065	7,533,339	13,008,444	5,862,005	5,115,615	6,868,514	5,790,397	5,674,821
Total governmental activities expenses	86,629,327	79,068,790	71,642,079	65,461,080	67,945,446	53,408,322	48,016,453	41,272,830	35,380,642	31,547,108
Business type activities:										
Instruction	-	-	-	-	-	-	11,932	7,101	2,230	-
Support services	193,063	145,660	127,696	-	-	257,408	359,328	285,066	257,974	-
Food service operations	4,368,264	3,739,271	3,496,079	3,463,106	2,861,494	2,429,393	2,133,551	1,735,203	1,604,089	1,590,456
Childcare operations	1,302,248	959,791	867,705	823,806	688,651	608,006	506,525	358,348	307,483	126,069
Community education operations	329,456	287,337	258,963	269,799	212,864	-	-	-	-	-
Total business type activities expenses	6,193,031	5,132,059	4,750,443	4,556,711	3,763,009	3,294,807	3,011,336	2,385,718	2,171,776	1,716,525
Total expenses	\$ 92,822,358	84,200,849	76,392,522	70,017,791	71,708,455	56,703,129	51,027,789	43,658,548	37,552,418	33,263,633
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction	\$ 3,050,145	2,782,680	2,558,577	2,322,286	2,102,794	1,982,236	2,057,688	2,029,251	2,303,722	2,018,737
Support services	274,001	275,251	273,682	223,783	193,524	145,499	138,536	144,466	108,070	100,679
Operating grants and contributions	9,504,065	8,580,609	8,055,895	9,007,569	9,939,460	6,461,886	4,680,999	3,628,074	2,953,730	2,413,493
Total governmental activities program revenue	12,828,211	11,638,540	10,888,154	11,553,638	12,235,778	8,589,621	6,877,223	5,801,791	5,365,522	4,532,909
Business type activities:										
Charges for services:										
Support services	-	-	-	-	-	-	-	-	62,155	-
Food service operations	2,982,903	2,750,720	2,572,612	2,447,045	2,296,501	2,217,223	1,908,746	1,693,785	1,456,433	1,280,987
Childcare operations	1,564,904	1,318,906	1,081,982	910,638	791,795	753,598	699,391	470,059	371,744	127,150
Community education operations	116,701	116,747	113,230	98,503	58,234	-	-	-	-	-
Operating grants and contributions	1,190,464	1,028,289	864,022	794,023	681,161	585,268	504,340	421,173	362,089	301,939
Capital grants and contributions	-	-	-	-	-	-	-	-	111,484	120,440
Total business type activities program revenues	5,854,972	5,214,662	4,631,846	4,250,209	3,827,691	3,556,089	3,112,477	2,585,017	2,363,905	1,830,516
Total program revenues	\$ 18,683,183	16,853,202	15,520,000	15,803,847	16,063,469	12,145,710	9,989,700	8,386,808	7,729,427	6,363,425
Net (Expense)/Revenue										
Governmental activities	\$ (73,801,116)	(67,430,250)	(60,753,925)	(53,907,442)	(55,709,668)	(44,818,701)	(41,139,230)	(35,471,039)	(30,015,120)	(27,014,199)
Business type activities	(338,059)	82,603	(118,597)	(306,502)	64,682	261,282	101,141	199,299	192,129	113,991
Total net expense	\$ (74,139,175)	(67,347,647)	(60,872,522)	(54,213,944)	(55,644,986)	(44,557,419)	(41,038,089)	(35,271,740)	(29,822,991)	(26,900,208)
General Revenues and Transfers										
Governmental activities:										
Property taxes	\$ 44,483,899	43,231,968	40,929,986	38,999,099	37,143,451	33,707,077	27,644,301	22,707,713	18,435,237	15,992,732
Local option sales & services tax	7,269,180	6,197,267	5,170,073	5,585,731	3,803,136	4,785,137	4,780,752	4,199,658	3,467,268	2,736,191
Unrestricted state grants	30,834,917	26,737,619	24,756,176	20,447,529	15,766,453	18,195,747	17,597,500	15,518,867	13,589,697	11,414,256
Investment earnings	92,578	52,204	37,630	108,114	191,804	570,523	840,642	1,299,865	602,452	191,461
Other	929,871	796,701	788,757	780,481	1,925,807	347,053	576,131	376,121	361,325	327,606
Transfers	(477,016)	(650,157)	(197,609)	(1,218,178)	(140,379)	-	(621,256)	-	-	-
Total governmental activities	83,133,429	76,365,602	71,485,013	64,702,776	58,690,272	57,605,537	50,818,070	44,102,224	36,455,979	30,662,246
Business type activities:										
Investment earnings	3,220	1,617	1,533	3,546	2,266	12,977	40,396	40,854	21,735	7,753
Other	-	-	-	-	-	50	28	-	-	-
Transfers	477,016	650,157	197,609	1,218,178	140,379	-	621,256	-	-	-
Total business type activities	480,236	651,774	199,142	1,221,724	142,645	13,027	661,680	40,854	21,735	7,753
Total general revenues and transfers	\$ 83,613,665	77,017,376	71,684,155	65,924,500	58,832,917	57,618,564	51,479,750	44,143,078	36,477,714	30,669,999
Change in Net Position										
Governmental activities	\$ 9,332,313	8,935,352	10,731,088	10,795,334	2,980,604	12,786,836	9,678,840	8,631,185	6,440,859	3,648,047
Business type activities	142,177	734,377	80,545	915,222	207,327	274,309	762,821	240,153	213,864	121,744
Total change in net position	\$ 9,474,490	9,669,729	10,811,633	11,710,556	3,187,931	13,061,145	10,441,661	8,871,338	6,654,723	3,769,791

Source: District Records

WAUKEE COMMUNITY SCHOOL DISTRICT

FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(Unaudited)

Year ended June 30,	2014*	2013*	2012*	2011*	2010	2009	2008	2007	2006	2005
General fund:										
Nonspendable	\$ 49,381	48,481	46,239	55,158	42,785	30,279	36,681	37,183	31,218	41,756
Restricted	535,668	953,225	1,053,041	449,859	73,885	-	97,222	158,461	115,158	68,596
Unassigned	6,323,937	8,794,094	10,471,856	8,626,046	8,490,957	9,085,543	6,897,344	4,529,957	2,267,031	1,373,853
Total general fund	\$ 6,908,986	9,795,800	11,571,136	9,131,063	8,607,627	9,115,822	7,031,247	4,725,601	2,413,407	1,484,205
All other governmental funds:										
Restricted:										
Debt service	\$ 993,273	11,789,967	11,779,376	4,450,438	4,229,495	8,157,269	9,432,642	3,453,669	233,849	189,164
Special revenue funds	5,002,413	4,606,744	3,720,456	3,323,455	5,313,955	4,935,005	3,156,244	1,644,624	1,533,833	1,200,280
Capital projects funds	31,509,015	17,319,284	31,212,515	11,081,599	13,726,849	51,426,443	10,340,847	17,488,964	17,107,276	2,906,073
Total all other government funds	\$ 37,504,701	33,715,995	46,712,347	18,855,492	23,270,299	64,518,717	22,929,733	22,587,257	18,874,958	4,295,517

Source: District Records

Notes: In 2011, the State of Iowa determined that the Physical Plant and Equipment Levy Fund is a capital projects fund and not a special revenue fund.
Prior to 2011, the Physical Plant and Equipment Levy Fund is included in the special revenue funds.

WAUKEE COMMUNITY SCHOOL DISTRICT

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS AND DEBT SERVICE RATIO

Last Ten Fiscal Years
(Unaudited)

Year ended June 30,	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Revenues:										
Local tax	\$ 44,483,899	\$ 49,429,235	\$ 46,100,059	\$ 44,584,830	\$ 40,946,587	\$ 38,492,214	\$ 32,425,053	\$ 26,907,371	\$ 21,898,342	\$ 18,724,901
Tuition	1,752,066	1,617,977	1,447,535	1,262,380	1,053,978	1,134,189	1,175,066	1,209,866	1,267,893	1,176,813
Other	2,594,529	2,240,380	2,211,111	2,165,795	3,375,273	2,185,922	2,432,638	2,604,416	1,935,241	1,383,507
State sources	46,168,070	33,947,675	31,651,321	26,672,882	21,558,200	23,361,214	21,804,292	18,700,021	16,110,389	13,424,393
Federal sources	1,440,092	1,370,769	1,160,750	2,788,705	4,132,391	1,021,619	479,500	485,203	437,201	407,377
Total revenues	96,438,656	88,606,036	82,570,776	77,474,592	71,066,429	66,195,158	58,316,549	49,906,877	41,649,066	35,116,991
Expenditures:										
Current:										
Instruction:										
Regular	36,743,084	33,376,569	30,670,571	27,556,857	27,511,695	23,090,642	20,040,299	16,944,785	14,497,759	12,045,774
Special	7,602,625	6,898,702	6,245,725	5,685,705	5,640,679	5,611,287	4,926,113	4,233,291	3,387,132	3,061,467
Other	5,908,587	5,418,825	4,822,790	4,629,290	3,624,135	2,932,365	2,389,598	2,147,056	2,096,796	1,896,088
Support services:										
Student	2,515,078	2,267,965	2,218,912	2,111,087	2,033,862	1,981,122	2,518,458	1,413,137	1,289,559	1,274,069
Instructional	3,753,678	3,019,995	2,903,099	2,596,051	2,604,731	2,372,731	2,450,310	1,631,053	1,393,248	1,475,734
Administrative	5,494,316	4,781,680	4,874,352	4,521,528	3,668,870	4,145,264	3,639,159	2,909,779	2,711,319	2,270,519
Operation & plant maintenance	6,205,021	5,483,373	4,943,591	4,849,053	4,188,307	3,778,765	3,829,770	3,023,278	2,764,387	2,114,247
Transportation	3,166,791	3,145,487	2,952,847	2,582,297	2,344,507	2,084,532	1,981,897	1,853,584	1,560,878	1,097,493
Non-instructional services	-	-	-	-	-	-	29,955	265	-	-
Other expenditures:										
Capital outlay:										
Facilities acquisition	25,174,457	20,795,719	16,338,521	10,831,068	44,776,662	12,287,811	13,080,340	21,356,585	5,593,186	11,528,812
Debt service:										
Principal	20,490,000	17,915,000	14,585,000	8,715,000	26,685,000	8,845,000	13,215,000	3,100,000	2,230,000	8,335,000
Interest	5,403,107	5,350,619	4,881,486	4,970,492	5,777,565	3,584,653	3,097,409	3,166,074	2,500,741	2,391,214
Debt issuance costs	116,670	-	-	-	-	-	-	-	-	-
Fiscal charges	-	-	-	-	-	8,484	8,700	4,800	90,809	86,343
AEA flowthrough	3,141,750	2,804,317	2,573,444	2,496,394	2,306,290	1,922,343	1,696,590	1,434,517	1,198,063	995,297
Total expenditures	125,715,164	111,258,251	98,010,338	81,544,822	131,162,303	72,644,999	72,903,598	63,218,204	41,313,877	48,572,057
Other financing sources (uses):										
Sale of equipment	-	1,167	-	-	-	-	-	100	50	1,900
Sale of real property	-	684,000	-	-	-	-	-	-	26,000	-
Transfers in	7,097,936	12,114,897	9,446,880	7,135,491	5,016,481	6,868,247	5,327,082	3,101,062	15,831,166	763,808
Transfers out	(7,298,961)	(12,337,399)	(9,644,489)	(7,300,384)	(5,156,860)	(6,868,247)	(5,327,082)	(3,101,062)	(15,831,160)	(763,808)
Bonds and notes refunded	-	7,045,000	8,390,000	-	18,310,000	-	7,165,000	(4,285,000)	-	-
Bonds and notes issued	33,475,000	-	36,385,000	-	-	50,000,000	10,000,000	23,335,000	15,000,000	11,390,000
Premium/discounts on bonds and notes	823,639	372,862	1,159,099	-	278,557	123,400	70,171	285,720	147,404	48,264
Payment to refunded bond escrow agent	(3,919,214)	-	-	-	-	-	-	-	-	-
	30,178,400	7,880,527	45,736,490	(164,893)	18,448,178	50,123,400	17,235,171	19,335,820	15,173,460	11,440,164
Net change in fund balance	\$ 901,892	\$ (14,771,688)	\$ 30,296,928	\$ (4,235,123)	\$ (41,647,696)	\$ 43,673,559	\$ 2,648,122	\$ 6,024,493	\$ 15,508,649	\$ (2,014,902)
Total expenditures	\$ 125,715,164	\$ 111,258,251	\$ 98,010,338	\$ 81,544,822	\$ 131,162,303	\$ 72,644,999	\$ 72,903,598	\$ 63,218,204	\$ 41,313,877	\$ 48,572,057
Less: capital expenditures	(21,735,752)	(18,403,292)	(16,114,705)	(11,338,807)	(39,552,978)	(13,264,257)	(13,209,951)	(20,735,371)	(5,293,151)	(10,817,069)
Non-capital expenditures	103,979,412	92,854,959	81,895,633	70,206,015	91,609,325	59,380,742	59,693,647	42,482,833	36,020,726	37,754,988
Debt service expenditures	26,009,777	23,265,619	19,466,486	13,685,492	32,462,565	12,438,137	16,321,109	6,270,874	4,821,550	10,812,557
Debt service expenditures as a percentage of non-capital expenditures	25.01%	25.06%	23.77%	19.49%	35.44%	20.95%	27.34%	14.76%	13.39%	28.64%

Source: District Records

WAUKEE COMMUNITY SCHOOL DISTRICT

GENERAL FUND REVENUES, BY SOURCE

Last Ten Fiscal Years
(Unaudited)

Year ended June 30,	Local				Federal	Total
	Taxes	Miscellaneous	State			
2014	\$ 26,640,942	2,998,329	38,896,147		1,440,092	69,975,510
2013	25,733,260	2,743,540	33,947,675		1,370,769	63,795,244
2012	27,018,767	2,657,125	31,649,148		1,160,750	62,485,790
2011	23,958,242	2,145,624	26,670,526		2,788,705	55,563,097
2010	23,325,578	1,711,651	21,556,102		4,132,391	50,725,722
2009	21,606,662	1,976,901	23,359,329		1,021,619	47,964,511
2008	19,059,387	2,045,360	21,802,799		479,500	43,387,046
2007	15,417,932	2,022,140	18,698,603		485,203	36,623,878
2006	12,101,584	1,874,439	16,108,939		433,391	30,518,353
2005	9,993,328	1,599,569	13,422,857		407,377	25,423,131

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT
GENERAL FUND EXPENDITURES, BY FUNCTION

Last Ten Fiscal Years
(Unaudited)

Year Ended June 30,	Instruction	Support Services	Non-Instructional Programs	Other Expenditures	Total
2014	\$ 48,756,673	20,762,876	-	3,141,750	72,661,299
2013	44,343,921	18,201,007	-	2,804,317	65,349,245
2012	40,431,738	16,842,894	-	2,573,444	59,848,076
2011	36,521,668	15,859,677	-	2,496,394	54,877,739
2010	34,446,910	14,466,615	-	2,306,290	51,219,815
2009	30,684,923	13,272,579	-	1,922,343	45,879,845
2008	26,185,188	13,176,495	23,127	1,696,590	41,081,400
2007	22,370,355	10,506,812	-	1,434,517	34,311,684
2006	18,800,131	9,594,770	-	1,198,063	29,592,964
2005	16,051,064	8,115,572	-	995,297	25,161,933

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT

GOVERNMENT-WIDE REVENUES

Last Ten Fiscal Years
(Unaudited)

Year ended June 30,	Program Revenues							Total
	Charges for Services & Sales	Operating Grants & Contributions	Capital Grants & Contributions	Taxes	Other Local Sources	State Sources	Investment Earnings	
2014	\$ 7,988,654	10,694,529	-	44,483,899	929,871	38,104,097	95,798	102,296,848
2013	7,244,304	9,608,898	-	49,429,235	796,701	26,737,619	53,821	93,870,578
2012	6,600,083	8,919,917	-	46,100,059	788,757	24,756,176	39,163	87,204,155
2011	6,002,255	9,801,592	-	44,584,830	468,436	20,447,529	108,114	81,412,756
2010	5,442,848	10,620,621	-	40,946,587	1,623,126	16,069,134	194,070	74,896,386
2009	5,098,556	7,047,154	-	38,492,214	347,053	18,195,797	583,500	69,764,274
2008	4,804,361	5,185,339	-	32,425,053	306,433	17,867,226	881,038	61,469,450
2007	4,337,561	4,049,247	-	26,907,371	188,662	15,518,867	1,340,719	52,342,427
2006	4,302,124	3,315,819	111,484	21,902,505	361,325	13,589,697	624,187	44,207,141
2005	3,527,553	2,715,432	120,440	18,728,923	327,606	11,414,256	199,214	37,033,424

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT
GOVERNMENT-WIDE EXPENSES, BY FUNCTION

Last Ten Fiscal Years
(Unaudited)

Year ended June 30,	Instruction	Support Services	Non-instructional Programs	Other Expenditures	Total
2014	\$ 50,142,591	24,409,439	5,999,968	12,270,360	92,822,358
2013	46,336,463	21,193,962	4,986,399	11,684,025	84,200,849
2012	42,519,470	18,489,144	4,623,843	10,760,065	76,392,522
2011	40,827,340	16,998,032	102,369	7,547,279	65,475,020
2010	39,751,992	15,156,624	28,486	13,008,444	67,945,546
2009	33,853,764	13,692,553	-	5,862,005	53,408,322
2008	29,165,013	13,714,587	21,238	5,115,615	48,016,453
2007	23,541,001	10,863,315	2,385,718	6,868,514	43,658,548
2006	19,961,274	9,628,971	2,171,776	5,790,397	37,552,418
2005	17,459,390	8,412,897	1,716,525	5,674,821	33,263,633

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT

COMPARISON OF GROWTH IN GENERAL FUND REVENUE, EXPENDITURES, ENROLLMENT,
ENROLLMENT, ASSESSED VALUATION AND TAX RATE

Last Ten Fiscal Years
(Unaudited)

Year ended June 30,	Revenue	Growth	Expenditures	Growth	Budget Enrollment	Growth	Assessed Value	Growth	Tax Rate	Growth
2014	\$ 69,975,510	9.69%	\$ 72,661,299	11.19%	7,721.3	8.58%	\$ 2,518,311,680	9.65%	\$ 10.45960	-6.92%
2013	63,795,244	2.10%	65,349,245	9.19%	7,111.1	6.45%	2,296,636,475	5.47%	11.23770	-9.61%
2012	62,485,790	12.45%	59,848,076	9.06%	6,680.2	6.90%	2,177,617,587	4.75%	12.43205	7.52%
2011	55,566,068	9.27%	54,877,739	7.14%	6,249.2	4.72%	2,078,929,733	5.60%	11.56253	-2.59%
2010	50,851,999	6.02%	51,219,815	11.64%	5,967.4	8.73%	1,968,768,518	9.81%	11.86962	-1.58%
2009	47,964,420	10.55%	45,879,845	11.68%	5,488.3	8.13%	1,792,848,425	22.21%	12.06033	-7.57%
2008	43,387,046	18.47%	41,081,400	19.73%	5,075.6	12.09%	1,467,046,188	22.76%	13.04865	0.89%
2007	36,623,878	19.99%	34,311,684	15.95%	4,528.0	12.33%	1,195,088,331	22.33%	12.93403	4.52%
2006	30,522,161	20.05%	29,592,960	17.61%	4,031.1	13.14%	976,966,148	15.70%	12.37520	4.68%
2005	25,425,031	20.50%	25,161,933	18.62%	3,562.8	17.83%	844,423,567	18.07%	11.82216	1.10%

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT
RATIO OF FINANCIAL CONDITION (General Fund)

Last Ten Fiscal Years
(Unaudited)

Year ended June 30,	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Days net Cash Ratio <u>cash</u> average daily disbursements	71.36	91.80	107.22	111.11	97.58	108.79	97.86	84.81	64.79	59.09
Increased Revenue versus Increased Expenditures <u>current year revenue minus prior year revenue</u> current year expenditures-prior year expenditures	0.85	0.24	1.40	1.29	0.54	0.95	1.00	1.29	1.15	1.07
Financial Solvency Ratios <u>current year Unassigned Fund Balance</u> current year actual revenue	9.04%	13.78%	16.76%	17.46%	16.70%	18.94%	15.68%	12.13%	7.08%	5.40%

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS SUMMARY

Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections In Subsequent Years*	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	\$ 44,785,869	44,483,899	99.33%	NA	\$ 44,483,899	99.33%
2013	43,309,318	43,231,968	99.82%	NA	43,231,968	99.82%
2012	41,006,827	40,929,986	99.81%	NA	40,929,986	99.81%
2011	39,108,503	38,752,389	99.09%	NA	38,752,389	99.09%
2010	37,195,005	36,890,708	99.18%	NA	36,890,708	99.18%
2009	33,731,694	33,466,568	99.21%	NA	33,466,568	99.21%
2008	27,781,276	27,380,225	98.56%	NA	27,380,225	98.56%
2007	22,787,988	22,707,713	99.65%	NA	22,707,713	99.65%
2006	18,415,172	18,400,595	99.92%	NA	18,400,595	99.92%
2005	15,971,422	15,958,483	99.92%	NA	15,958,483	99.92%

Source: District records

* Dallas County, Iowa does not track delinquent taxes to a specific year if payment is made after the fiscal year closes.

WAUKEE COMMUNITY SCHOOL DISTRICT

PROPERTY TAX LEVIES AND COLLECTIONS DETAIL

Last Ten Fiscal Years
(Unaudited)

Collection Year	General Fund	Management	Debt Service	PPEL	Total
Property Tax Levies					
2014	\$ 26,881,045	999,996	11,969,327	4,935,501	44,785,869
2013	25,808,912	1,500,002	11,328,958	4,671,446	43,309,318
2012	27,072,244	1,000,000	8,536,724	4,397,859	41,006,827
2011	24,037,687	1,999,993	8,927,727	4,143,096	39,108,503
2010	23,368,534	999,997	8,878,545	3,947,929	37,195,005
2009	21,622,344	999,997	7,499,922	3,609,431	33,731,694
2008	19,142,972	1,100,006	4,393,433	3,144,865	27,781,276
2007	15,457,308	500,501	4,270,762	2,559,417	22,787,988
2006	12,090,151	399,999	3,970,419	1,954,603	18,415,172
2005	9,978,351	300,000	4,030,904	1,662,167	15,971,422
Property Tax Collections					
2014	\$ 26,640,942	990,140	11,932,500	4,920,317	44,483,899
2013	25,733,260	1,495,610	11,330,866	4,672,232	43,231,968
2012	27,018,767	997,243	8,523,118	4,390,858	40,929,986
2011	23,797,934	1,980,046	8,861,871	4,112,538	38,752,389
2010	23,157,073	990,940	8,820,636	3,922,059	36,890,708
2009	21,443,124	991,736	7,447,496	3,584,212	33,466,568
2008	18,885,364	1,085,244	4,307,301	3,102,316	27,380,225
2007	15,417,932	498,717	4,246,299	2,544,765	22,707,713
2006	12,080,450	399,673	3,967,366	1,953,106	18,400,595
2005	9,973,356	299,712	4,024,352	1,661,063	15,958,483
Percentage Collected					
2014	99.11%	99.01%	99.69%	99.69%	99.33%
2013	99.71%	99.71%	100.02%	100.02%	99.82%
2012	99.80%	99.72%	99.84%	99.84%	99.81%
2011	99.00%	99.00%	99.26%	99.26%	99.09%
2010	99.10%	99.09%	99.35%	99.34%	99.18%
2009	99.17%	99.17%	99.30%	99.30%	99.21%
2008	98.65%	98.66%	98.04%	98.65%	98.56%
2007	99.75%	99.64%	99.43%	99.43%	99.65%
2006	99.92%	99.92%	99.92%	99.92%	99.92%
2005	99.95%	99.90%	99.84%	99.93%	99.92%
2004	99.84%	99.84%	99.71%	99.71%	99.79%

Source: District records

Dallas County, Iowa does not track delinquent taxes to a specific year if payment is made after the fiscal year closes.

WAUKEE COMMUNITY SCHOOL DISTRICT
TAXABLE AND 100% VALUES OF PROPERTY

Last Ten Fiscal Years
(Unaudited)

Levy Year	Collection Year	Real Property		Personal Property		Railroads & Utilities w/o Gas & Electric	
		Taxable	100% Value	Taxable	100% Value	Taxable	100% Value
2012	2013-14	\$2,926,408,458	4,434,892,988	-	-	16,058,120	16,058,120
2011	2012-13	2,770,449,833	4,262,419,966	-	-	13,768,052	13,768,052
2010	2011-12	2,605,956,254	4,090,294,621	-	-	14,274,534	14,274,534
2009	2010-11	2,066,543,684	3,371,574,382	-	-	14,139,966	14,139,966
2008	2009-10	1,955,777,049	3,400,929,740	-	-	13,641,512	13,641,512
2007	2008-09	1,780,656,409	3,116,199,794	-	-	12,272,629	12,272,629
2006	2007-08	1,858,042,043	2,950,899,982	-	-	13,116,350	13,116,350
2005	2006-07	1,510,070,351	2,419,304,099	-	-	15,444,126	15,465,927
2004	2005-06	1,148,316,166	1,868,579,752	-	-	15,095,138	15,095,138
2003	2004-05	973,280,228	1,558,524,097	-	-	14,464,885	14,464,885

Source: County Auditor's Office

Notes:

Gas and Electric is no longer subject to property tax, but instead pay utility replacement tax.

Includes Tax Increment Financing Valuations.

(a) Per \$1,000 of assessed value.

Gas & Electric		Total		Ratio of Total	Total
Taxable	100% Value	Taxable	100% Value	Taxable Value to 100% Value	Direct Rate (a)
12,922,909	26,874,546	2,955,389,487	4,477,825,654	66.00%	\$ 16.57669
13,055,544	27,733,322	2,797,273,429	4,303,921,340	64.99%	17.61083
13,218,079	27,433,258	2,633,448,867	4,132,002,413	63.73%	17.80292
12,386,049	26,579,651	2,093,069,699	3,412,293,999	61.34%	17.79315
12,991,469	26,566,149	1,982,410,030	3,441,137,401	57.61%	17.80336
12,192,016	17,468,314	1,805,121,054	3,145,940,737	57.38%	17.75814
11,994,305	17,065,329	1,883,152,698	2,981,081,661	63.17%	17.80148
7,070,342	8,407,740	1,532,584,819	2,443,177,766	62.73%	17.80905
7,009,675	7,750,790	1,170,420,979	1,891,425,680	61.88%	17.84693
7,564,751	7,564,751	995,309,864	1,580,553,733	62.97%	17.89346

WAUKEE COMMUNITY SCHOOL DISTRICT

TAX RATES BY FUND

Last Ten Fiscal Years
(Unaudited)

Year ended June 30,	General	Management	PPEL	Debt Service	Total
2014	\$ 10.45960	0.39709	1.67000	4.05000	16.57669
2013	11.23770	0.65313	1.67000	4.05000	17.61083
2012	12.43205	0.45922	1.67000	3.24165	17.80292
2011	11.56253	0.96203	1.67000	3.59859	17.79315
2010	11.86962	0.50793	1.67000	3.75581	17.80336
2009	12.06033	0.55777	1.67000	3.47004	17.75814
2008	13.04865	0.74981	1.67000	2.33302	17.80148
2007	12.93403	0.41838	1.67000	2.78664	17.80905
2006	12.37520	0.40943	1.67000	3.39230	17.84693
2005	11.82216	0.35527	1.67000	4.04603	17.89346

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT

PROPERTY TAX RATES PER \$1,000 ASSESSED VALUATION, DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years

Levy Year	Collection Year	Dallas County	Dallas Co Hospital	State	Area XI Community College	City	Special	Waukee CSD	Total	Ratio WCS D to Total
<u>City of Waukee</u>										
2012	2013-14	\$4.26673	0.54517	0.00330	0.69120	13.50000	-	16.57669	35.58309	46.586%
2011	2012-13	4.64759	0.60683	0.00330	0.58466	13.50000	-	17.61083	36.95321	47.657%
2010	2011-12	4.62966	0.60911	0.00320	0.59018	13.50001	-	17.80292	37.13508	47.941%
2009	2010-11	4.72267	0.60945	0.00340	0.56008	13.50001	-	17.79315	37.18876	47.846%
2008	2009-10	5.24709	0.60971	0.00300	0.56778	13.50004	-	17.80336	37.73098	47.185%
2007	2008-09	5.30363	0.59132	0.00350	0.56386	13.50004	-	17.75814	37.72049	47.078%
2006	2007-08	7.19259	2.96959	0.00350	0.60276	13.50004	-	17.80148	42.06996	42.314%
2005	2006-07	8.90138	1.13685	0.00400	0.68488	13.50004	-	17.84693	42.07408	42.418%
2004	2005-06	6.15571	0.68223	0.00400	0.68408	13.50039	-	17.84693	38.87334	45.910%
2003	2004-05	6.11761	0.74992	0.00400	0.59856	13.50039	-	17.89346	38.86394	46.041%
<u>City of Clive</u>										
2012	2013-14	4.26673	0.54517	0.00330	0.69120	9.98809	0.48300	16.57669	32.55418	50.920%
2011	2012-13	4.64759	0.60683	0.00330	0.58466	9.98810	0.40300	17.61083	33.84431	52.035%
2010	2011-12	4.62966	0.60911	0.00320	0.59018	9.54485	0.25300	17.80292	33.43292	53.250%
2009	2010-11	4.72267	0.60945	0.00340	0.56008	9.53866	-	17.79315	33.22741	53.550%
2008	2009-10	5.24709	0.60971	0.00300	0.56778	9.53764	-	17.80336	33.76858	52.722%
2007	2008-09	5.30363	0.59132	0.00350	0.56386	9.53762	-	17.75814	33.75807	52.604%
2006	2007-08	7.19259	2.96959	0.00350	0.60276	9.53783	0.07294	17.80148	38.18069	46.624%
2005	2006-07	8.90138	1.13685	0.00400	0.68488	9.24927	-	17.84693	37.82331	47.185%
2004	2005-06	6.15571	0.68223	0.00400	0.68408	9.24927	-	17.84693	34.62222	51.548%
2003	2004-05	6.11761	0.74992	0.00400	0.59856	8.82714	-	17.89346	34.19069	52.334%
<u>City of Urbandale</u>										
2012	2013-14	4.26673	0.54517	0.00330	0.69120	9.57000	0.53200	16.57669	32.18509	51.504%
2011	2012-13	4.64759	0.60683	0.00330	0.58466	9.62000	0.45200	17.61083	33.52521	52.530%
2010	2011-12	4.62966	0.60911	0.00320	0.59018	9.52000	0.30200	17.80292	33.45707	53.211%
2009	2010-11	4.72267	0.56008	0.00340	0.56008	9.32000	-	17.79315	32.95938	53.985%
2008	2009-10	5.24709	0.60971	0.00300	0.56778	9.22000	-	17.80336	33.45094	53.222%
2007	2008-09	5.30363	0.59132	0.00350	0.56386	9.22000	-	17.75814	33.44045	53.104%
2006	2007-08	7.19259	2.96959	0.00350	0.60276	9.22000	0.17216	17.80148	37.96208	46.893%
2005	2006-07	8.90138	1.13685	0.00400	0.68488	9.07393	0.13129	17.84693	37.77926	47.240%
2004	2005-06	6.15571	0.68223	0.00400	0.68408	9.07393	-	17.84693	34.44688	51.810%
2003	2004-05	6.11761	0.74992	0.00400	0.59856	9.07306	0.41222	17.89346	34.84883	51.346%
<u>City of West Des Moines</u>										
2012	2013-14	4.26673	0.54517	0.00330	0.69120	12.05000	0.63300	16.57669	34.76609	47.681%
2011	2012-13	4.64759	0.60683	0.00330	0.58466	12.05000	0.55300	17.61083	36.05621	48.843%
2010	2011-12	4.62966	0.60911	0.00320	0.59018	12.05000	0.40300	17.80292	36.08807	49.332%
2009	2010-11	4.72267	0.60945	0.00340	0.56008	12.05000	-	17.79315	35.73875	49.787%
2008	2009-10	5.24709	0.60971	0.00300	0.56778	12.05000	-	17.80336	36.28094	49.071%
2007	2008-09	5.30363	0.59132	0.00350	0.56386	12.05000	-	17.75814	36.27045	48.960%
2006	2007-08	7.19259	2.96959	0.00350	0.60276	12.04999	0.33240	17.80148	40.95231	43.469%
2005	2006-07	8.90138	1.13685	0.00400	0.68488	11.95000	0.27070	17.84693	40.79474	43.748%
2004	2005-06	6.15571	0.68223	0.00400	0.68408	11.95000	-	17.84693	37.32295	47.818%
2003	2004-05	6.11761	0.74992	0.00400	0.59856	11.72777	-	17.89346	37.09132	48.242%

Source: County Auditor's Office

WAUKEE COMMUNITY SCHOOL DISTRICT
TAXABLE ASSESSED VALUATION BY PROPERTY TYPE*

Last Ten Fiscal Years
(Unaudited)

Collection Year	2014	% of Total	2013	% of Total	2012	% of Total	2011	% of Total
Residential	\$ 1,672,352,276	85.1%	\$ 1,521,419,301	77.4%	\$ 1,391,067,695	70.7%	\$ 1,289,336,556	65.6%
Agricultural	21,611,322	1.1%	20,654,402	1.1%	20,027,338	1.0%	19,312,836	1.0%
Commercial	792,886,495	40.3%	723,275,370	36.8%	734,726,132	37.4%	739,997,380	37.6%
Industrial	4,695,550	0.2%	4,092,070	0.2%	4,371,778	0.2%	3,898,097	0.2%
Railroads	2,958,041	0.2%	2,514,569	0.1%	2,006,741	0.1%	1,809,118	0.1%
Utilities w/o Gas & Electric	13,100,079	0.7%	13,768,052	0.7%	14,274,534	0.7%	14,139,966	0.7%
Gas & Electric	12,922,909	0.7%	13,055,544	0.7%	13,218,079	0.7%	12,386,049	0.6%
Sub-Total	2,520,526,672		2,298,779,308		2,179,692,297		2,080,880,002	
(Military Credit)	(2,214,992)		(2,142,833)		(2,074,710)		(1,950,269)	
Totals	<u>\$ 2,518,311,680</u>		<u>\$ 2,296,636,475</u>		<u>\$ 2,177,617,587</u>		<u>\$ 2,078,929,733</u>	

Notes:

* Does not include TIF Valuation

Source: County Auditor and District records

2010	% of Total	2009	% of Total	2008	% of Total	2007	% of Total	2006	% of Total	2005	% of Total
\$ 1,209,740,589	61.5%	\$ 1,049,082,674	58.4%	\$ 894,414,446	61.0%	\$ 736,708,613	61.6%	\$ 577,276,665	59.1%	\$ 479,166,040	56.7%
13,792,106	0.7%	13,393,952	0.7%	13,510,560	0.9%	13,910,270	1.2%	14,009,200	1.4%	14,475,120	1.7%
712,326,724	36.2%	699,318,821	38.9%	530,841,969	36.2%	418,658,441	35.0%	359,914,916	36.8%	325,193,663	38.5%
4,096,860	0.2%	4,698,960	0.3%	4,865,916	0.3%	4,851,390	0.4%	4,851,390	0.5%	4,718,460	0.6%
1,559,461	0.1%	1,559,461	0.1%	1,281,039	0.1%	2,545,804	0.2%	2,598,624	0.3%	2,451,043	0.3%
13,641,512	0.7%	12,272,629	0.7%	11,835,311	0.8%	12,898,322	1.1%	12,496,514	1.3%	12,013,842	1.4%
12,991,469	0.7%	17,468,314	1.0%	11,994,305	0.8%	7,070,342	0.6%	7,009,675	0.7%	7,564,751	0.9%
1,968,148,721		1,797,794,811		1,468,743,546		1,196,643,182		978,156,984		845,582,919	
(1,854,007)		(1,795,576)		(1,697,358)		(1,554,851)		(1,190,836)		(1,159,353)	
<u>\$ 1,966,294,714</u>		<u>\$ 1,795,999,235</u>		<u>\$ 1,467,046,188</u>		<u>\$ 1,195,088,331</u>		<u>\$ 976,966,148</u>		<u>\$ 844,423,566</u>	

WAUKEE COMMUNITY SCHOOL DISTRICT

COMPARISON OF TAXES AND INTERGOVERNMENTAL REVENUE

Last Ten Fiscal Years
(Unaudited)

Year ended June 30,	Local revenue		Intergovernmental revenue		Total
	General and special revenue funds	Debt service and capital projects funds	State sources	Federal sources	
2014	\$ 31,848,281	16,982,213	46,168,070	1,440,092	96,438,656
2013	30,985,409	22,302,183	33,947,675	1,370,769	88,606,036
2012	31,648,612	18,110,093	31,651,321	1,160,750	82,570,776
2011	26,106,837	8,915,061	26,670,526	2,788,705	64,481,129
2010	25,163,506	8,928,576	21,556,102	4,132,391	59,780,575
2009	23,583,562	7,514,685	23,359,239	1,021,619	55,479,105
2008	26,294,962	9,737,795	21,804,292	479,500	58,316,549
2007	21,357,278	9,364,375	18,700,021	485,203	49,906,877
2006	17,196,267	7,905,208	16,110,389	437,201	41,649,065
2005	14,255,091	7,030,130	13,424,393	407,377	35,116,991

WAUKEE COMMUNITY SCHOOL DISTRICT

PRINCIPAL TAXPAYERS IN THE WAUKEE COMMUNITY SCHOOL DISTRICT

Current and Nine Years Ago
(Unaudited)

Taxpayer	2012 Taxable Values	Percent of Total Assessed Value
Wells Fargo Home Mortgage, Inc.	\$ 188,121,220	6.37%
GCP Jordan Creek LLC	184,471,370	6.24%
Aviva Real Property Holdings LLC	54,939,070	1.86%
CCOP I LLC	33,793,390	1.14%
Dallas County Partners II	28,860,180	0.98%
Iowa Clinic West Lakes I, LLC	25,834,520	0.87%
S-J Jordan LC	18,834,520	0.64%
Health Care REIT	17,459,510	0.59%
IA Lodging West Des Moines, LLC	16,405,180	0.56%
Wal-Mart Real Estate Business Trust	16,092,780	0.54%
Total	\$ 584,811,740	
Total Taxable Assessed Value	\$ 2,955,389,487	

Taxpayer	2003 Taxable Values	Percent of Total Assessed Value
Wells Fargo Home Mortgage, Inc.	\$ 63,277,137	2.14%
Dallas County Partners	41,430,266	1.40%
Dallas County Partners II	26,611,972	0.90%
West Lakes Development Company	19,328,025	0.65%
Northwood Village Ltd	14,044,845	0.48%
Iowa Lodging, LLC	12,343,828	0.42%
Briden Town Center Villas LP	11,968,954	0.40%
Des Moines Golf & Country Club	9,438,803	0.32%
Hubbell Realty Company	9,241,731	0.31%
Sherman Hills Real Estate	8,958,519	0.30%
Total	\$ 216,644,080	
Total Taxable Assessed Value	\$ 995,309,864	

Source: Dallas County Auditor's Office

WAUKEE COMMUNITY SCHOOL DISTRICT

COMPARATIVE RATIO OF GENERAL BONDED DEBT TO ASSESSED VALUE AND BONDED DEBT PER CAPITA

Last Ten Fiscal Years
(Unaudited)

Collection Year	Population (a)	100%		2011 Taxable Values		
		Actual Value	Legal Debt Limit(5%)	Indebtedness	Assessed	Debt per Capita
2014	37,076	\$ 4,477,825,654	223,891,283	141,540,000	3.16%	\$ 3,818
2013	37,076	4,303,921,340	215,196,067	132,730,000	3.08%	3,580
2012	37,076	4,132,002,413	206,600,121	143,600,000	3.48%	3,873
2011	37,076	3,964,429,946	198,221,497	113,410,000	2.86%	3,059
2010	37,076	3,822,756,705	191,137,835	122,125,000	3.19%	3,294
2009	13,173	3,502,206,021	175,110,301	130,500,000	3.73%	9,907
2008	13,173	2,981,081,661	149,054,083	89,345,000	3.00%	6,782
2007	13,173	2,443,177,766	122,158,888	85,395,000	3.50%	6,483
2006	13,173	1,891,425,680	94,571,284	69,445,000	3.67%	5,272
2005	13,173	1,580,553,733	79,027,687	56,675,000	3.59%	4,302

Notes:

(a) U.S. Department of Commerce, Bureau of Census

Source: District Records

WAUKEE COMMUNITY SCHOOL DISTRICT

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT
TO TOTAL GOVERNMENTAL FUND EXPENDITURES

Last Ten Fiscal Years
(Unaudited)

Year ended June 30,	Principal	Interest	Total Debt Service	Total Expenditures	Ratio of Debt Service to Total Expenditures
2014	\$ 20,490,000	5,403,107	25,893,107	125,715,164	20.60%
2013	17,915,000	5,314,568	23,229,568	111,222,200	20.89%
2012	14,585,000	4,881,486	19,466,486	98,010,338	19.86%
2011	8,715,000	4,970,492	13,685,492	81,544,822	16.78%
2010	26,685,000	5,777,565	32,462,565	131,162,303	24.75%
2009	8,845,000	3,584,653	12,429,653	72,644,999	17.11%
2008	13,215,000	3,097,409	16,312,409	72,903,598	22.38%
2007	3,100,000	3,166,074	6,266,074	63,218,204	9.91%
2006	2,230,000	2,500,741	4,730,741	41,343,877	11.44%
2005	8,335,000	2,391,214	10,726,214	48,572,057	22.08%

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years
(Unaudited)

Year ended June 30,	2014	2013	2012	2011
Assessed value of property	\$ 4,477,825,654	4,303,921,340	4,132,002,413	3,964,429,946
Debt limit-5% of 100% assessed value	223,891,283	215,196,067	206,600,121	198,221,497
Amount of debt applicable to debt limit:				
General obligation bonds	86,555,000	105,515,000	110,465,000	96,445,000
Sales tax revenue bonds	49,630,000	19,335,000	22,335,000	8,680,000
General obligation capital loan notes	5,355,000	7,880,000	10,800,000	8,285,000
Total debt applicable to debt limit	141,540,000	132,730,000	143,600,000	113,410,000
Legal debt margin	\$ 82,351,283	82,466,067	63,000,121	84,811,497
Legal debt margin as a percentage of debt limit	36.78%	38.32%	30.49%	42.79%

Source: District Records

2010	2009	2008	2007	2006	2005
3,822,756,705	3,502,206,021	2,981,081,661	2,443,177,766	1,891,425,600	1,580,553,733
191,137,835	175,110,301	149,054,083	122,158,888	94,571,280	79,027,687
101,005,000	105,380,000	60,370,000	52,590,000	54,445,000	55,945,000
11,355,000	13,925,000	16,400,000	18,900,000	-	-
9,765,000	11,195,000	12,575,000	13,905,000	15,000,000	730,000
122,125,000	130,500,000	89,345,000	85,395,000	69,445,000	56,675,000
69,012,835	44,610,301	59,709,083	36,763,888	25,126,280	22,352,687
36.11%	25.48%	40.06%	30.10%	26.57%	28.28%

WAUKEE COMMUNITY SCHOOL DISTRICT
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	General Obligation		General Obligation	Bond	Less: Amount	Total	Percent of Actual	
	Bonds	Revenue Bonds	Capital Loan Notes	Premiums and Discounts (*)	Restricted for Debt Service		Property (a)	Per Capita (b)
2014	\$ 86,555,000	49,630,000	5,355,000	(2,269,461)	5,431,114	133,839,425	3.11%	\$ 3,610
2013	105,515,000	19,335,000	7,880,000	-	13,905,317	118,824,683	2.76%	3,205
2012	110,465,000	22,335,000	10,800,000	-	11,779,376	131,820,624	3.19%	3,555
2011	96,445,000	8,680,000	8,285,000	-	4,450,438	108,959,562	2.75%	2,939
2010	101,005,000	11,355,000	9,765,000	-	4,229,495	117,895,505	3.08%	3,180
2009	105,380,000	13,925,000	11,195,000	-	8,157,269	122,342,731	3.49%	9,287
2008	60,370,000	16,400,000	12,575,000	-	9,432,642	79,912,358	2.68%	6,066
2007	52,590,000	18,900,000	13,905,000	-	3,453,669	81,941,331	3.35%	6,220
2006	54,445,000	-	15,000,000	-	233,849	69,211,151	3.66%	5,254
2005	55,945,000	-	730,000	-	189,164	56,485,836	3.57%	4,288

Source: District records

Notes:

(a) Actual taxable value of property includes Tax Increment Financing valuation. Assessed value equals estimated actual value.

See pages 96-97 for actual taxable value of property.

(b) See Page 105 for population data.

(*) Starting in 2014, the bond premiums and discounts are being shown here. The District will levy taxes for general obligation debts.

WAUKEE COMMUNITY SCHOOL DISTRICT
COMPUTATION OF OVERLAPPING AND DIRECT DEBT

As of June 30, 2014
(Unaudited)

	Taxable Valuation	Taxable Valuation Within District	Percent in District	G. O. Debt	Waukee CSD Share of the Debt
Dallas County	\$ 4,445,552,470	2,955,389,487	66.48%	\$ 11,365,000	7,555,417
City of Waukee	662,539,721	659,628,354	99.56%	28,708,373	28,582,221
City of Clive	1,290,607,510	298,596,540	23.14%	34,560,000	7,995,844
City of Grimes	488,315,033	118,854	0.02%	17,805,000	4,334
City of Urbandale	2,584,731,737	401,648,334	15.54%	45,860,000	7,126,307
City of West Des Moines	4,323,503,803	1,529,022,168	35.37%	71,435,000	25,263,236
Area XI Des Moines Area Community College	38,538,891,860	2,955,389,487	7.67%	65,880,000	5,052,067
Total District Share of Overlapping Debt				<u>\$ 275,613,373</u>	<u>81,579,426</u>
Direct, Waukee Community School District:					
General Obligation			100.00%	\$ 86,555,000	86,555,000
Sales Tax Revenue Bonds			100.00%	49,630,000	49,630,000
General Obligation Capital Loan Notes			100.00%	5,355,000	5,355,000
Bond Premiums and Discounts			100.00%	(2,269,461)	(2,269,461)
Total District Direct Debt				<u>\$ 139,270,539</u>	<u>139,270,539</u>

Notes: The percentage applicable to the District is determined by the portion of the District geographical boundary included in the total boundary of the respective governmental entity.

Source: District records, County Auditor's office, City of Waukee, City of Clive, City of Grimes, City of Urbandale, City of West Des Moines, Area XI Des Moines Area Community College.

WAUKEE COMMUNITY SCHOOL DISTRICT

OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years
(Unaudited)

Governmental Activities

Fiscal Year	General Obligation		General Obligation Capital Loan Notes	Total Primary Government	Percentage of	
	Bonds	Revenue Bonds			Personal Income (a)	Per Capita (a)
2014	\$ 86,555,000	49,630,000	5,355,000	141,540,000	N/A	\$ 3,818
2013	105,515,000	19,335,000	7,880,000	132,730,000	9.12%	3,580
2012	110,465,000	22,335,000	10,800,000	143,600,000	11.14%	3,873
2011	96,445,000	8,680,000	8,285,000	113,410,000	9.81%	3,059
2010	101,005,000	11,355,000	9,765,000	122,125,000	12.35%	3,294
2009	105,380,000	13,925,000	11,195,000	130,500,000	13.79%	9,907
2008	60,370,000	16,400,000	12,575,000	89,345,000	10.13%	6,782
2007	52,590,000	18,900,000	13,905,000	85,395,000	11.26%	6,483
2006	54,445,000	-	15,000,000	69,445,000	10.77%	5,272
2005	55,945,000	-	730,000	56,675,000	10.21%	4,302

Source: District records

Notes: N/A = not available. Details of the District's outstanding debt can be found in Note 6 in the notes to the financial statements.

(a) See Page 105 for personal income and population data. These ratios are calculated using personal income and population from the prior year calendar year.

WAUKEE COMMUNITY SCHOOL DISTRICT

PLEDGED-REVENUE COVERAGE

Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Revenue	Principal	Interest	Total	Coverage
2014	\$ 7,269,180	3,180,000	622,050	3,802,050	1.91
2013	6,197,267	3,000,000	648,448	3,648,448	1.70
2012	5,170,073	8,680,000	485,917	9,165,917	0.56
2011	5,585,731	2,675,000	482,558	3,157,558	1.77
2010	3,803,136	2,570,000	591,812	3,161,812	1.20
2009	4,785,137	2,475,000	690,812	3,165,812	1.51
2008	4,780,752	2,500,000	659,010	3,159,010	1.51
2007	4,199,658	-	-	-	-
2006	3,467,268	-	-	-	-
2005	2,736,191	-	-	-	-

Source: District records

Notes: Details of the District's outstanding debt can be found in Note 6 in the notes to the financial statements.

WAUKEE COMMUNITY SCHOOL DISTRICT

GENERAL ANALYSIS OF FACILITIES, CLASSROOMS AND STAFFING

June 30, 2014
(Unaudited)

Name of School	Dates of Construction	Grades Served
Elementary Schools:		
Vince Meyer Learning Center	1917, 1957, 1974, 1979, 1987, 1999, 2013	5 and Special Education
Brookview	2001, 2002, 2004	K-5 and Special Education
Eason	1994, 2002	K-5 and Special Education
Walnut Hills	2005	PK-5 and Special Education
Maple Grove	2007	K-5 and Special Education
Waukee	2010	PK-4 and Special Education
Shuler	2010	K-5 and Special Education
Woodland Hills	2013	PK-5 and Special Education
Waukee Middle School	1974, 1977, 1987, 1994, 1997, 1999, 2008	6-7 -8 and Special Education
South Middle School	2010	6-7 -8 and Special Education
Prairieview 9 Building	2004, 2009	9 and Special Education
Waukee High School	1997, 2000, 2001, 2006, 2013	10-12 and Special Education
		District Wide
Other facilities - non-student occupancy:		
Waukee Elementary Annex	1932, 1995	
District Administration	2003, 2007	
District Central Receiving/Transportation Facility	2003	

Source: District records

Building Served	Enrollment Oct. 2013	Certified Staff	Pupil/Teacher Ratio	Number of Classrooms	Teaching Sections
	92	5.0	18.40	5	4
	574	41.2	13.95	28	24
	595	40.2	14.81	29	26
	718	41.6	17.27	38	31
	539	37.5	14.37	26	24
	620	45.0	13.78	31	26
	675	44.6	15.14	31	28
	458	38.5	11.90	25	20
	3,813	255.0	14.95	188	163
	921	70.5	13.06	63	-
	924	73.0	12.66	63	-
	538	39.0	13.80	36	-
	1,458	116.1	12.56	91	-
	7,654	553.6	13.83	441	163

WAUKEE COMMUNITY SCHOOL DISTRICT

DISTRICT STAFFING LEVELS

Last Ten Fiscal Years
(Unaudited)

Year ended June 30,	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Administration:										
Superintendent	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Principal	11.00	10.00	10.00	10.00	8.00	8.00	8.00	7.00	6.00	5.00
Associate Principal	8.00	7.00	4.00	4.00	4.00	4.50	2.00	2.00	4.00	3.00
Other Administrators	7.00	6.00	5.00	5.00	6.00	6.00	6.00	6.00	4.00	5.00
Total Administration	27.00	24.00	20.00	20.00	19.00	19.50	17.00	16.00	15.00	14.00
Other Professionals										
Instruction:										
Teacher	514.87	484.23	438.54	416.93	332.03	384.34	357.44	318.33	288.51	258.55
Curriculum Specialist	17.00	15.00	8.50	9.00	1.00	0.50	2.00	2.00	2.00	2.00
Counselor	18.50	15.00	15.00	21.00	18.50	18.50	17.00	15.00	14.00	13.00
Title I	4.00	3.50	3.50	4.25	3.50	1.50	2.00	2.00	1.50	1.50
Media Specialist	11.00	10.00	10.00	10.00	8.00	8.00	7.00	7.00	6.00	5.00
Total Instruction	565.37	527.73	475.54	461.18	363.03	412.84	385.44	344.33	312.01	280.05
Professional, Other:										
Nurse	9.00	8.00	8.00	8.00	6.00	6.00	9.00	7.00	7.00	6.50
Other Professional	13.00	13.00	13.00	14.00	7.00	14.00	9.50	8.50	6.50	6.10
Total Professional, Other	22.00	21.00	21.00	22.00	13.00	20.00	18.50	15.50	13.50	12.60
Support Personnel:										
Office/Clerical	32.70	36.12	34.00	33.00	31.44	36.00	28.00	26.00	23.00	20.00
Crafts/Trades	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	2.00	1.00
Teacher Associates	146.41	131.48	125.00	119.00	123.00	105.11	96.50	84.60	63.31	61.67
Other Support Personnel	174.89	132.18	97.00	127.00	98.07	104.87	72.30	61.72	57.34	57.10
Total Support Personnel	358.00	303.78	260.00	283.00	256.51	249.98	200.80	176.32	145.66	139.77
Totals	972.37	876.51	776.54	786.18	651.54	702.32	621.74	552.15	486.17	446.42

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT

DISTRICT AND AREA UNEMPLOYMENT RATES AND PER CAPITA INCOME

Last Ten Fiscal Years
(Unaudited)

Calendar Year	Population (a)	Personal Income (b)	Adjusted Gross Income per Tax Return (b)	Per Capita Personal Income	Unemployment Rate (c) State of Iowa	Unemployment Rate (c) Des Moines Area
2014	37,076	N/A	N/A	N/A	4.4%	4.3%
2013	37,076	\$ 1,455,243,830	81,595	39,250	4.6%	4.8%
2012	37,076	1,289,558,901	72,305	34,782	5.4%	5.5%
2011	37,076	1,155,726,388	64,801	31,172	6.0%	6.7%
2010	37,076	988,903,114	59,376	26,672	6.8%	6.8%
2009	13,173	946,060,501	60,432	71,818	6.6%	6.5%
2008	13,173	881,578,252	60,610	66,923	4.6%	4.1%
2007	13,173	758,654,683	59,516	57,592	3.4%	3.1%
2006	13,173	644,701,944	56,414	48,941	3.6%	2.9%
2005	13,173	555,164,780	55,059	42,144	4.8%	4.0%
2004	13,173	460,361,296	51,971	34,947	4.1%	4.1%

Notes:

N/A = not available.

(a) U.S. Department of Commerce, Bureau of Census

(b) Iowa Department of Revenue

(c) Iowa Workforce Development

WAUKEE COMMUNITY SCHOOL DISTRICT

SUMMARY OF HISTORICAL RETAIL SALES
(In Millions)

Last Ten Years
(Unaudited)

Year	Dallas County	Percent Increase	Waukee	Percent Increase	West Des Moines	Percent Increase	Des Moines	Percent Increase
2013	\$ 1,052.08	-4.1%	\$ 148.44	23.0%	\$ 682.39	-9.0%	\$ 3,325.45	1.9%
2012	1,097.52	16.0%	120.68	15.0%	749.96	18.0%	3,264.36	2.2%
2011	946.45	5.8%	104.95	10.6%	635.69	5.6%	3,195.13	2.8%
2010	894.95	-6.1%	94.85	5.2%	602.13	-8.9%	3,107.94	-5.8%
2009	953.12	15.6%	90.13	-9.7%	660.75	22.5%	3,300.12	-4.9%
2008	824.68	10.4%	99.80	-3.0%	539.37	-59.9%	3,470.69	1.5%
2007	747.18	10.8%	102.89	-15.0%	1,345.69	-27.8%	3,418.12	-2.4%
2006	674.51	97.8%	121.06	16.2%	1,864.22	103.9%	3,502.63	0.3%
2005	340.93	6.6%	104.16	23.0%	914.20	2.6%	3,492.31	-16.7%
2004	319.88	12.2%	84.65	10.4%	891.45	2.3%	4,190.41	10.6%

Source: Iowa Department of Revenue and Finance

WAUKEE COMMUNITY SCHOOL DISTRICT

PRINCIPAL EMPLOYERS IN THE DISTRICT

Current year and nine years ago
(Unaudited)

Presented below is a list of employers located within the Waukee Community School District, the type of business conducted and an approximate number of employees for each.

District Employers	Product/Service	2014		2005	
		Employees	% of Total	Employees	% of Total
Wells Fargo Mortgage & Financial	Financial	4,980	38.0%	-	
Hy-Vee	Food Supplier	2,100	16.0%	-	
Waukee Community Schools	Education	1,268	9.7%	400	100.0%
Iowa Farm Bureau	Agriculture	954	7.3%	-	
Athene Holding Ltd.	Insurance	950	7.2%	-	
Iowa Foundation for Medical Care	Health Care	779	5.9%	-	
Citi Card Services	Financial	600	4.6%	-	
ADP	Data Processing	550	4.2%	-	
Guide One	Insurance	525	4.0%	-	
Waukee Family YMCA	Family Recreation	400	3.1%	-	
Total		13,106		400	

Larger employers in the area	Product/Service	2014		2005	
		Employees	% of Total	Employees	% of Total
Wells Fargo & Co	Financial Services	13,500	36.1%	-	0.0%
State of Iowa	Government	8,800	23.5%	6,749	14.0%
Mercy Hospital Medical Center	Health Care	7,100	19.0%	2,200	4.6%
Principal Financial Group	Insurance	6,131	16.4%	8,300	17.2%
UnityPoint Health	Health Care	5,005	13.4%	5,000	10.4%
Nationwide/Allied Insurance	Insurance	4,438	11.9%	-	0.0%
John Deere Companies	Agricultural Sales	3,100	8.3%	-	0.0%
DuPont Pioneer	Agricultural Sales	2,849	7.6%	1,428	3.0%
United States Government	Government	-	0.0%	6,100	12.7%
Des Moines Ind. School District	Government	-	0.0%	5,325	11.1%
Communication Data Services, Inc	Data Entry	-	0.0%	3,000	6.2%
Hy-Vee Food Stores, Inc.	Retail Grocery and Drug	-	0.0%	2,595	5.4%
City of Des Moines	Government	-	0.0%	2,170	4.5%
Wellmark Blue Cross Blue Shield	Insurance	-	0.0%	2,066	4.3%
Bridgestone-Firestone	Manufacturing	-	0.0%	1,700	3.5%
West Des Moines Community School District	Education	-	0.0%	1,500	3.1%
Total		37,423		48,133	

Source: City Chambers of Commerce, Greater Dallas County Development Alliance, Greater Des Moines Partnership, the District, and the City of Waukee, and telephone survey conducted December 2012 and January 2013.

WAUKEE COMMUNITY SCHOOL DISTRICT

DISTRICT POPULATION

June 30, 2014
(Unaudited)

Census Year	Waukee	Clive	Urbandale	West Des Moines
2010	13,790	15,447	39,463	56,609
2004/2008/2005*	8,132	14,125	35,904	51,744
2000	5,126	12,855	29,072	46,403
1990	2,512	7,462	23,500	31,702
1980	2,227	6,064	17,869	21,894

Source: City Chambers of Commerce

*special Census done in 2004-Waukee, 2008 Urbandale and 2005 West DesMoines

WAUKEE COMMUNITY SCHOOL DISTRICT
 CERTIFIED RESIDENT STUDENT ENROLLMENT BY GRADE

Last Ten Fiscal Years
 (Unaudited)

Grade	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
PK	36	34	29	30	30	24	29	26	22	26
K	716	768	672	625	577	595	555	549	522	433
1	761	697	628	603	584	568	577	544	459	467
2	730	675	598	601	547	584	549	480	486	368
3	670	636	603	542	581	570	507	499	390	403
4	653	625	562	581	549	513	510	413	423	347
5	626	594	580	559	516	522	427	446	362	297
6	614	628	560	524	504	431	449	376	310	292
7	624	581	512	517	423	451	367	319	316	260
8	566	533	506	419	432	378	321	324	265	274
9	524	535	413	438	362	316	317	273	296	234
10	513	428	440	355	297	308	283	319	252	263
11	412	461	363	304	285	304	313	262	268	198
12	450	381	292	282	272	321	254	268	219	206
District Served Enrollment	7895.0	7576.0	6758.0	6380.0	5959.0	5885.0	5458.0	5098.0	4590.0	4068.0
Open Enrollment/Tuition In	222.0	210.0	191.0	185.1	169.2	175.0	199.0	219	232	225
Open Enrollment/Tuition Out (includes Home & Alt. School Students)	404.3	353.6	365.7	311.6	308.1	257.4	229.3	196.6	170	187.1
Certified Resident Enrollment	<u>8077.3</u>	7719.6	6932.7	6506.5	6097.9	5967.4	5488.3	5075.6	4528.0	4030.1

Source: District Records

WAUKEE COMMUNITY SCHOOL DISTRICT

OPERATING COST PER PUPIL

Last Ten Fiscal Years
(Unaudited)

Year ended June 30,	Total Costs*	Daily Membership	Operating Cost per Pupil
2014	\$ 72,661,299	7,994	\$ 9,090
2013	65,349,245	7,479	8,737
2012	59,848,076	6,884	8,694
2011	54,877,739	6,472	8,479
2010	51,246,632	6,021	8,511
2009	41,081,400	5,441	7,550
2008	34,311,684	5,065	6,774
2007	29,592,960	4,617	6,410
2006	25,161,933	4,058	6,201
2005	21,123,109	3,685	5,732

*Includes only General Fund expenditures.

Source: District records

Waukee Community School District
Schedule of Expenditures of Federal Awards
Year ended June 30, 2014

Grantor/Program	CFDA Number	Grant Number	Expenditures
Indirect:			
U.S. Department of Agriculture:			
Iowa Department of Education:			
School Nutrition Cluster Programs:			
School Breakfast Program	10.553	FY 14	\$ 123,930
National School Lunch Program	10.555	FY 14	1,034,800 *
			1,158,730
Team Nutrition Grant	10.754	FY 14	1,178
U.S. Department of Education:			
Iowa Department of Education:			
Title I, Part A Cluster:			
Title I Grants to Local Educational Agencies	84.010	FY 13	58,722
Title I Grants to Local Educational Agencies	84.010	FY 14	243,799
Title I Grants to Local Educational Agencies - SINA	84.010	FY 14	15,204
			317,725
Advance Placement Program	84.330	FY 14	1,291
Title III - English Language Acquisition State Grants	84.365	FY 14	18,070
Improving Teacher Quality State Grants	84.367	FY 14	50,510
Grants for State Assessments	84.369	FY 14	41,481
Iowa Department of Education:			
Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems (Aids Education)			
	93.938	FY 14	170
Dallas Center-Grimes Community School District:			
Vocational Education - Basic Grants to States	84.048	FY 14	41,709
Heartland Area Education Agency:			
Special Education - Grants to States	84.027	FY 14	365,694
Title III - English Language Acquisition State Grants	84.365	FY 14	3,508
Total			\$ 2,000,066

* Includes \$227,562 of non-cash awards.

Basis of Presentation - The Schedule of Expenditures of Federal Awards includes the federal grant activity of the Waukee Community School District and is presented on the accrual or modified accrual basis of accounting. The information on this schedule is presented in accordance with the requirements of OMB Circular A-143, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the

See accompanying independent auditor's report.





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CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Education of
Waukee Community School District:

We have audited, in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the Waukee Community School District, Waukee, Iowa, as of and for the year ended June 30, 2014, and the related notes to financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 25, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Waukee Community School District's internal control over financial reporting to determine the audit procedures appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Waukee Community School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Waukee Community School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Waukee Community School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of non-compliance or other matters that are described in Part IV of the accompanying Schedule of Findings and Questioned Costs.

Comments involving statutory and other legal matters about the District's operations for the year ended June 30, 2014 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the District. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Waukee School District's Responses to the Findings

Waukee Community School District's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. Waukee Community School District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Waukee Community School District during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.

Van Maanen, Sietstra, Meyer & Nikkel PC

Van Maanen, Sietstra, Meyer & Nikkel, PC
Certified Public Accountants

November 25, 2014



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Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Required by OMB Circular A-133

To the Board of Education of Waukee Community School District:

Report on Compliance for Each Major Federal Program

We have audited Waukee Community School District's compliance with the types of compliance requirements described in U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of Waukee Community School District's major federal programs for the year ended June 30, 2014. Waukee Community School District's major federal programs are identified in Part I of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grant agreements applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Waukee Community School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Waukee Community School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Waukee Community School District's compliance.

Opinion on Each Major Federal Program

In our opinion, Waukee Community School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Report on Internal Control Over Compliance

The management of Waukee Community School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Waukee Community School District's internal control over compliance with type of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Waukee Community School District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Van Maanen, Sietstra, Meyer & Nikkel PC

Van Maanen, Sietstra, Meyer & Nikkel, PC
Certified Public Accountants

November 25, 2014

Part I: Summary of the Independent Auditor's Results

- (a) Unqualified opinions were issued on the financial statements.
- (b) No materials weaknesses in internal control over financial reporting were disclosed by the audit of the financial statements.
- (c) The audit did not disclose any non-compliance which is material to the financial statements.
- (d) No material weaknesses in internal control over the major programs were disclosed by the audit of the financial statements.
- (e) An unqualified opinion was issued on compliance with requirements applicable to each major program.
- (f) The audit disclosed no audit findings which were required to be reported in accordance with Office of Management and Budget Circular A-133, Section .510(a).
- (g) Major programs were as follows:
 - CFDA Number 84.010 – Title I Grants to Local Education Agencies
 - CFDA Number 84.027 – Special Education, Grants to States
 - Clustered programs:
 - CFDA Number 10.553 - School Breakfast Program
 - CFDA Number 10.555 - National School Lunch Program
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- (i) Waukee Community School District qualified as a low-risk auditee.

Part II: Findings Related to the Financial Statements

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

INTERNAL CONTROL DEFICIENCIES:

No matters were noted.

Part III: Findings and Questioned Costs for Federal Awards

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

INTERNAL CONTROL DEFICIENCIES:

No matters were noted.

**Waukee Community School District
Schedule of Findings and Questioned Costs
Year ended June 30, 2014**

Part IV: Other Findings Related to Required Statutory Reporting:

- IV-A-14 Certified Budget - Expenditures for the year ended June 30, 2014, exceeded the amended certified budget amounts in the support services and non-instructional programs functions.
- Recommendation - The certified budget should have been amended in accordance with Chapter 24.9 of the Code of Iowa before expenditures were allowed to exceed the budget.
- Response - Future budgets will be amended in sufficient amounts to ensure the certified budget is not exceeded.
- Conclusion - Response accepted.
- IV-B-14 Questionable Expenditures - No expenditures were noted that may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979.
- IV-C-14 Travel Expense - No expenditures of District money for travel expenses of spouses of District officials or employees were noted. No travel advances to District officials or employees were noted.
- IV-D-14 Business Transactions - No business transactions between the District and District officials or employees were noted.
- IV-E-14 Bond Coverage - Surety bond coverage of District officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure that coverage is adequate for current operations.
- IV-F-14 Board Minutes - No transactions were noted requiring Board approval which had not been approved by the Board.
- IV-G-14 Certified Enrollment - No variances in the basic enrollment data certified to the Department of Education were noted.
- IV-H-14 Supplementary Weighting - No variances regarding the supplementary weighting certified to the Iowa Department of Education were noted.
- IV-I-14 Deposits and Investments - No instances of noncompliance were noted with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and the District's investment policy.
- IV-J-14 Certified Annual Report - The Certified Annual Report was filed timely to the Iowa Department of Education.
- IV-K-14 Categorical Funding - No instances were noted of categorical funding used to supplant rather than supplement other funds.
- IV-L-14 Deficit Balance - The Nonmajor Enterprise, Community Services Fund had a deficit balance at June 30, 2014.
- Recommendation - The District should investigate alternatives to eliminate this deficit in order to return this fund to a sound financial condition.
- Response - The District is investigating alternatives to eliminate this deficit balance.
- Conclusion - Response accepted.

**Waukee Community School District
Schedule of Findings and Questioned Costs
Year ended June 30, 2014**

IV-M-14 Statewide Sales, Services and Use Tax - No instances of non-compliance with the use of the statewide sales, services and use tax revenue provisions of Chapter 423F.3 of the Code of Iowa were noted.

Pursuant to Chapter 423F.5 of the Code of Iowa, the annual audit is required to include certain reporting elements related to the statewide sales, services and use tax revenue. Districts are required to include these reporting elements in the Certified Annual Report (CAR) submitted to the Iowa Department of Education. For the year ended June 30, 2014, the District reported the following information regarding the statewide sales, services and use tax revenue in the District's CAR:

Beginning balance		\$	15,973,817
Revenues/transfers in:			
Sales tax revenues	\$	7,269,180	
Other local revenues		103,078	
Issuance of revenue bonds		33,475,000	
Premium on the issuance of debt		1,195,511	42,042,769
			<u>58,016,586</u>
Expenditures/transfers out			
School infrastructure construction		18,903,690	
Land purchased		600,000	
Equipment		1,798,062	
Other		1,457,566	
Transfers to other funds:			
Debt service funds		4,252,303	27,011,621
			<u>27,011,621</u>
Ending balance		\$	<u>31,004,965</u>

For the year ended June 30, 2014, the District did not reduce any levies as a result of the moneys received under Chapter 423E or 423F of the Code of Iowa.

